

Chronicle

February 2007

The working year started with the continuation of a number of unresolved employment relations issues from 2006.

The Air New Zealand plan to outsource engineering services to the Spanish owned company Swissport continued to receive extensive media coverage (see October 2006 Chronicle). The *Press* reported that staff at the Christchurch branch had voted on a package negotiated between the airline and the Engineering, Printing and Manufacturing Union (EPMU). EPMU's National Secretary Andrew Little was quoted as saying that the "[the package] is a combination of what the airline has put to us that we think we can work with and what we've put up to [Air New Zealand]."

To further complicate matters, the Services and Food Workers' Union (SFWU) - representing nearly 250 of the workers affected by the outsourcing proposal - had refused to participate in any further negotiations. The *Dominion Post* reported that the two unions - EPMU and SFWU - were "deeply divided" over how to counter the airline's plan to outsource the jobs. Northern Regional Secretary for the SFWU Jill Ovens claimed that the EPMU had reneged on a pact made in October 2006 to stick together through negotiations. Andrew Little of the EPMU rejected the suggestion saying that "[w]e have both made our respective decisions about how we wish to approach this...[w]e are prepared to continue talks as long and as hard as we have to see if we can resolve it by agreement."

Issues relating to alleged breaches of good faith featured prominently in the media. The *Press* reported that the Christchurch City Council had successfully appealed an Employment Court ruling that the Council had breached good faith by contacting employees during the last agreement negotiations (see April 2005 Chronicle). The case related to the situation where the Council's former Chief Executive Lesley McTurk had written to union employees during pay talks because the Council thought it had been misrepresented by the union (the Southern Local Government Officers' Union). The union objected and a subsequent Employment Court hearing found McTurk's communications had breached the Employment Relations Act. The Employment Court had ruled that employers could not contact employees during bargaining without the union's consent. However, the Court of Appeal found that employers could communicate with workers during contract negotiations as long as they did not try to negotiate or undermine the bargaining or the union's authority.

In a footnote to the Court of Appeal ruling, the *Press* also reported that the Christchurch City Council had finally settled their collective negotiations with the Southern Local Government Officers' Union. The new collective agreement covered around 1,000 members of the union, was for a three-year term and included a combination of one-off payments and salary increases of between 2% and 18% over the three-year term.

In another case concerning breach of good faith, a series of articles in the *Southland Times* covered the case of a leading Invercargill heating company that allegedly encouraged workers to leave their union. In a hearing before the Employment

Relations Authority, the Engineering, Printing and Manufacturing Union (EPMU) claimed that Yunca Heating Ltd had acted in bad faith by trying to induce workers to leave the union and by denying a union organiser reasonable access to discuss collective bargaining with workers. There was conflicting evidence from workers on whether there had been any pressure from management to leave the union. The manager of Yunca Heating said that he felt that he had been “kicked in the guts” after he was handed 17 forms from workers wanting to join the union. He denied that he had wanted workers to rescind their union membership. He had called a meeting to discuss the matter in order to provide a balance to what the workers had been told as he felt they had been intimidated and railroaded into joining the union.

The *National Business Review* reported that figures from Statistics New Zealand showed that while the number of strikes were down in 2006 their economic impact was greater. There were a total of 49 work stoppages for the year ended September 2006, which involved 12,508 employees. Losses included \$4.7 million in wages and salaries and 26,198 days of work. In the previous year to September 2005, there were 52 stoppages involving 13,255 employees with losses of 24,731 days of work and \$4 million in wages. Dispute over wage rises were behind 36 of the stoppages.

A woman made redundant by the Engineering, Printing and Manufacturing Union (EPMU) lost a claim that the EPMU had breached the redundancy provisions of her employment agreement. The *Dominion Post* reported that the woman claimed that the union had failed to offer her two positions that became available within 12 months of her redundancy in June 2005 (as required under her collective employment agreement). The Employment Relations Authority determined that the two positions were substantially different from her previous job and thus, rejected her personal grievance claim.

Australia’s unemployment fell to its lowest point in three decades. The rate had dropped to 4.5% in January 2007, from 5.3% in the previous year, and almost 300,000 jobs were created in the 12 months to the end of January 2007.

During February, a series of newspaper articles highlighted the search by employers of better ways to attract and retain staff. The *National Business Review* reported on “innovative ways” Australian employers were using to seek new talent. A career building and networking site claimed that employer-paid study and training courses were becoming common bait in recruitment in Australia. However, it was claimed that some head-hunters were taking ‘inducements’ too far by offering trips to Las Vegas and other exotic locations as a part of their employment packages. One CEO of a job networking website was quoted as saying that “Australian employers are desperate for talent and are turning to extreme tactics to catch the interest of the best workers in the country.”

Recruitment consultants claimed in another *National Business Review* article that New Zealand’s recruitment market was expected to remain buoyant for the rest of 2007 with the first quarter leading the growth in a number of key sectors of the economy. One industry insider suggested that companies needed to establish a strategy on how to interact with potential employees throughout the recruitment process saying that “[i]f an employee has two or more offers, their impression of a

potential employer based on the way the company has conducted itself through the [employment] process may well be a deciding factor in which job an employee takes.”

Another sign of a ‘tight labour market’ could be found in a survey of 1,911 employers by the recruitment firm Hudson. Unsurprisingly, the survey recorded that staff retention and development would be the highest priorities for many companies in 2007. In the discussion of the survey results in the *Dominion Post*, it was suggested that job sharing was one effective solution to the issue of staff retention, but that only a small number of companies had adopted this approach. A recruitment company manager said that “[a] well thought out job-sharing programme automatically increases the number of potential suitable employees for a role.”

In a tight labour market employers should be extra vigilant if they wanted to avoid the post-Christmas holiday exodus, according to a *Dominion Post* article. It listed a series of simple strategies to help increase the sense of feeling at home at work, including: praise and recognition, personal development, promotion of fun, encouragement of quality relationships and career breaks, nip problems early and recruit for retention.

Increasing levels of workplace technology were placing more pressure on those with sub-standard literacy. The *Dominion Post* featured an article on levels of literacy among the workforce which reported that the New Zealand Council of Trade Unions, Business New Zealand and the Tertiary Education Commission (TEC) were looking at ways to address literacy in the workplace in ways that were effective and affordable. The Commission was funding 20 providers to offer workplace literacy programmes.

March 2007

The *Dominion Post* discussed the increase in annual holidays to a minimum of four weeks of paid leave per annum from April 1 2007. The Council of Trade Unions estimated that 92% of unionised workers covered by collective agreements already received four weeks paid holidays although this depended on length of service. Additionally, it was estimated that more than 50% of all public servants already received four weeks leave, as did more than 80% of managers.

The dispute between the firefighters union and the Fire Service over public holidays and the interpretation of the Holidays was heading for the Supreme Court. The Court of Appeal had upheld an appeal from the Fire Service over an Employment Court decision (see July 2006 Chronicle) and the Professional Firefighters Union had sought leave to appeal to the Supreme Court. The case was expected to set a precedent for how other 24-hour services would meet the requirement to give staff a day off if they worked a public holiday.

In a further development in the Air New Zealand outsourcing proposal, the *Dominion Post* reported that Air New Zealand and the Engineering, Printing and Manufacturing Union (EPMU) had reached a deal over the proposed outsourcing. Nevertheless, EPMU’s National Secretary Andrew Little called some elements of the deal unpalatable and said that its members had been forced to “swallow a dead rat”. The Services and Food Workers’ Union (SFWU), which was not party to the agreement,

“rubbished the deal”. An Air New Zealand spokesman was quoted as saying that the savings target depended on both unions agreeing to the settlement, but accepted that only the EPMU was prepared to join at this stage of the negotiations. A later article claimed that the talks had reached a critical stage when Air New Zealand negotiators refused to give an assurance that the jobs would not be outsourced despite a deal being struck.

Things began to look bleak when media reports suggested that agreement with airport workers looked “dead in the water” as Air New Zealand maintained that the agreement had to be ratified by both the EPMU and the SFWU. The SFWU’s Northern Regional Secretary Jill Ovens confirmed that delegates from the different departments covered by the collective agreement, including check-in and loading staff, finance and cargo workers, had voted to reject the deal. She was quoted as saying “[w]hy should the Service and Food Workers Union take some other union’s deal to our members when we have a separate collective agreement of our own, and we didn’t make that deal”.

Later in the month, the *Dominion Post* reported a claim by the SFWU that Air New Zealand had offered ‘a \$3000 carrot’ to airport workers prepared to switch unions or take an individual agreement. Airport worker members, who wanted to get the one-off payment available to members of the EPMU, would have to join the EPMU or agree to an individual contract on lesser conditions. The rhetoric between the two unions continued with Jill Ovens, Northern Secretary for the SFWU, claiming that her union had scored a victory over the airline by keeping the collective together, and that the EPMU deal did not offer any benefits, only cuts to terms and conditions.

Once again negotiations in the health sector featured prominently. The *Press* reported that public hospital nurses were seeking subsidised superannuation in their first contract negotiations since 2004 (when they won a 20% pay increase). The New Zealand Nurses’ Organisation (NZNO) said that its 20,000 public hospital members were not eligible for subsidised superannuation unlike the police, teachers and doctors. NZNO’s Industrial Adviser Glenda Alexander said it was unfair that nurses were treated differently to other public servants. Still, both parties had agreed to a non-conflict approach to bargaining.

Meanwhile, health sector cleaners, orderlies and food workers threatened strike action in their quest for a national collective agreement. The *Press* reported that most of the 2,800 members of the SFWU had voted in favour of taking industrial action if their bid for a multi-employer collective contract (to replace 40 separate agreements) was refused. The union had negotiated with District Health Boards (DHBs) since August 2006 over a multi-employer collective agreement and substantial pay rises. The article pointed out that private contractors employed about three-quarters of the staff concerned and that DHBs had stated they did not want contractors to be parties to a national collective contract. In a further development, the *Dominion Post* reported that the SFWU’s “struggle to gain a multi-employer collective agreement” went to the Employment Court. The lawyer acting for some of the private contractors described employers and the union as “being on the same page”, although it was the form of the collective agreement which remained “a sticking point”.

An article in both the *Press* and the *Dominion Post* reviewed the impact of industrial strife in the health sector. A year of unprecedented industrial action had cost health boards at least \$5 million and disrupted about 14,000 patients. The most expensive strike was the junior doctors' walkout for five days in June 2006 with DHBs spending about \$4m on extra payments to senior doctors who worked during the strike. Health union advocate Deborah Powell was quoted as saying that \$5m was a "gross underestimate" and DHBs were embarrassed to admit the true cost, particularly what had been spent on public relations during the strikes.

The NZ Herald publisher, APN News & Media, faced a fight with its workers over plans to outsource sub-editing and design jobs. APN was considering outsourcing an unspecified number of jobs to PageMasters, a unit of Australian Associated Press. An APN spokesperson said it would be a couple of weeks before it was clear how many jobs might be affected. The Engineering, Printing and Manufacturing Union (EPMU) claimed that more than 70 jobs would be lost, that the quality of APN's news would suffer and that the union planned to fight the proposal.

Medical laboratory workers announced that they would strike for a second time in less than five months. The Medical Laboratory Workers Union gave notice that the workers will strike for 48 hours from April 11. The union's National President Stewart Smith was quoted as saying that "[w]e are now into the 13th month of negotiations, with no reported improvement to the employers' intransigent position ... [w]e have diminishing confidence in their ability to negotiate this contract".

The *Press* reported that national stopwork meetings by senior doctors were "increasingly inevitable". This followed two failed attempts at mediation with DHB's. A third mediation date was set for April 23.

Seasonal workers at Heinz Wattie's food-processing plant in Hastings went on strike for 24 hours after they failed to secure a collective agreement. Union officials said that they had received assurances from Allied Workforce, the company providing the workers on contract to Heinz Wattie's, that it was prepared to resume talks.

In a series of articles, the *Dominion Post* reported on Queen Margaret College, a Wellington private girls' school, and its "bitter public dispute" with a former teacher. The former teacher – Dr Stuart Selwood – suffered from terminal cancer and was seeking \$74,000 compensation for allegedly being forced from his job. Dr Selwood, who left the school in July 2006, had taken his claims of constructive dismissal, personal grievance and breach of contract to the Employment Relations Authority. The case raised allegations of abuse, bullying, threats and moral hypocrisy at the Christian school. Dr Selwood accused the principal Carol Craymer of seeking to force him out of his job, and of putting him under such stress that he failed to notice the symptoms of his cancer till it was too late to treat. The school denied mistreating Dr Selwood, saying his grievances were addressed and he had quit of his own volition. The paper reported that the college was "pitted against itself" with teachers, the school chaplain and a former pupil present in support of Dr Selwood while senior management lined up on the other side of the table.

A survey featured in the *Dominion Post* suggested that companies struggling with high staff turnover could gain valuable insights by using exit interviews effectively.

However, it was problematic that some analyses of exit interviews found that employees weren't being honest in stating their reasons for leaving the company because they didn't want to "burn their bridges".

The *National Business Review* featured claims about a "new breed of union entrepreneurs turning to the market to boost the flagging movement's membership". The article suggested that amid all the talk of partnerships and productivity the best way for unions to promote themselves was still placard waving and strikes. The article outlined union leader Matt McCarten's proposal to use the government's KiwiSaver sweeteners to promote union membership to high school students, many of whom are not yet in the workforce. His Unite union was partnering a major corporate to deliver a KiwiSaver fund tied to union membership, and thereby help young people into their first homes.

April 2007

The Minister of Labour, Ruth Dyson announced that the statutory minimum hourly wage was moving from \$10.25 to \$11.25, and for workers under 18 years it would be raised to \$9 an hour. The *NZ Herald* pointed out that this was the biggest increase since 1999 and that around 120,000 workers would benefit from the increase. In the nine years of a Labour led government, the statutory minimum wage had increased from \$7 an hour to \$11.25 (a 61% increase). Interestingly, the article criticised the Labour Government for being too cautious when it came to employment legislation, arguing that any significant reforms were the result of pressure from minor coalition parties.

Industrial action continued throughout the health sector during April (see March Chronicle). The *Press* reported on the impending strike by radiographers across seven District Health Boards (DHBs). An attempt of an 11th hour mediation failed to prevent a strike and then medical laboratory workers, including those at hospital laboratories and the New Zealand Blood Service, went on strike for two days in a bid for higher pay and protection of pay against contracting-out. A DHB spokesperson said the union's pay and conditions claims were "unrealistic and unaffordable". Late in April, matters seemed to escalate further when the *Press* reported that the union representing striking hospital radiographers had threatened a nationwide walkout that would "grind the service to a complete halt".

Senior doctors were considering stop work meetings as a start to industrial actions after the Association of Salaried Medical Specialists' Executive Director Ian Powell announced that mediation between senior doctors and DHBs had stalled. Stop work meetings in May, followed by strikes, were on the cards unless a decent offer, "not a rehash," came through. Subsequently, the *Dominion Post* reported that senior doctors were threatening the nation's first national strike as pay talks became "increasingly acrimonious". The threat came as the Pan Professional Medical Forum, which included medical colleges and doctors' unions, warned that the "very serious" recruitment and retention problem was approaching crisis levels in some provincial areas.

By the end of the month, the *Dominion Post* suggested that “crippling industrial action in the health sector has reached epidemic proportions” with the number of days lost to strikes last year more than six times higher than in 2000. In 2006, the number of working days lost by hospital strikes was 11,562 compared with just 1,750 in 2000, according to Statistics NZ figures. Radiation therapists, radiographers and lab workers had all taken industrial action this year. A spokesperson for the DHBs claimed that the current industrial relations legislation had created “a climate of mistrust” by barring District Health Boards from communicating directly with employees who also happened to be union members.

The Engineering, Printing and Manufacturing Union (EPMU) was considering legal action against APN News & Media after the New Zealand Herald publisher confirmed plans to push ahead with the outsourcing of about 70 sub-editing jobs (see March Chronicle). EPMU’s National Secretary Andrew Little said the union, which represented some of involved APN staff, was considering legal action to stop APN’s outsourcing. The union believed APN had failed to consult properly.

In further developments at Air New Zealand (see March Chronicle), the *Dominion Post* reported that airport workers had agreed to labour reforms to stop their jobs from being transferred to a Spanish company, but they would seek a parliamentary inquiry into the airline’s ‘sharp practice’. Airport workers represented by the EPMU had voted 78% in favour of the settlement which would result in 300 voluntary redundancies and the introduction of more flexible shifts with reduced pay and conditions for some workers and gains for other workers. EPMU’s National Secretary Andrew Little said the deal was the best in a bad situation and that workers preferred to be employed directly by Air New Zealand, rather than having to deal with a third party. However, another 250 workers at the Auckland International terminal, represented by the Services and Food Workers' Union (SFWU), had refused to negotiate with Air New Zealand until the next scheduled bargaining round for their collective agreement, due to start in May.

The *Dominion Post* revealed that another outsourcing proposal by Air New Zealand to outsource financial services to “coup-torn” Fiji was “ditched”. The plan would have meant that about 70 jobs were to have been disestablished. SFWU’s Northern Regional Secretary Jill Ovens said that staff were relieved to hear their jobs were safe, but angry at the stress they had been put through for more than a year.

In yet another case of threatened outsourcing the *Dominion Post* reported that the jobs of 150 Fonterra accounting staff in Hamilton were safe after the dairy giant had decided against outsourcing the positions to Fiji. Fonterra said that a cost-cutting review found no benefits in moving the financial processing and accounting department overseas. A local Chamber of Commerce spokesperson said that he could understand Fonterra wanting to save money “but to move that offshore or to a far-flung part of New Zealand away from the core of the business would be a poor decision”.

The *Southland Times* reported that the Invercargill firm Yunca Heating Ltd was fined \$6,000 for acting in bad faith over attempts to induce workers to leave their union. The Employment Relations authority found in a written decision that about a third of

all new EPMU members had resigned from the union because of various pressures and influences from the company.

In the banking sector, Westpac staff were to vote on a new collective employment agreement that would increase wages by up to 11.8%. Finsec spokesperson Andrew Campbell said that the offer would bring wages for Westpac staff into line with staff at ANZ National Bank. Westpac had also given a commitment to move away from a core pay system based on sales targets, including debt products, and instead reward skills (see February 2006 Chronicle).

Another sector of the aviation industry was threatened with strike action as Air Nelson was to be hit by strike action over pay. The airline - a subsidiary of Air New Zealand - was issued with a 14-day notice of stoppages by the EPMU. Notice was given for four three-day strikes. EPMU's National Secretary Andrew Little said the union had taken action because of Air Nelson's refusal to offer a "decent pay rise". By the end of the month, however, union delegates and Air Nelson started a mediation process in a bid to avoid industrial action.

The Corrections Service featured again in the media when the *Sunday Star Times* reported that a group of Paremoremo prison officers were suing the Corrections Department over the jail's harsh behaviour management regime in the 1990s. Five of the country's most difficult prisoners sued Corrections in 2004, claiming they were mistreated under the same regime. They were awarded a total of \$140,000 plus costs of more than \$350,000. Now four prison officers, three of whom still worked at the prison, claimed that they were exposed to significant hurt, embarrassment and physical assaults while having to implement the policy.

In yet another employment dispute at the Department of Corrections, a prison officer at the Rimutaka Prison, who received a payout for wrongful suspension 10 years ago, was again fighting for his job. The officer was reinstated, but was suspended again early in 2006 after the department accused him of assaulting an inmate. He was still on leave in early 2007, pending a decision by the Employment Relations Authority (a week after receiving a medal for 21 years of exemplary service). The officer claimed that he had been singled out because he was a union member, and had stood up to management in the past.

The *Waikato Times* suggested that an employment dispute between the former Chief Executive of Parentline Maxine Hodgson and Parentline's trust board was shaping up to be the "best free show in town". The Employment Relations Authority had "fruitlessly" invited the parties to consider mediation and a restorative solution rather than taking a legalistic route. In a later article, a supporter of the CEO criticised the 'pusillanimity' (lack of courage) of the Parentline Board and called the chairmanship of the Trust Board divisive, "a shambles", "manipulative", and "shameful".

According to the *Dominion Post*, the union representing a brewery worker wanted to pursue his unjustified dismissal claim even after he died distraught of being dismissed. Steve Tipene died on April 4, eight days after being dismissed for a mistake he made while mixing a batch of beer at Independent Liquor's Papakura plant. National Director of the Unite union Mike Treen claimed that the dismissal was a "contributory factor" in Mr Tipene taking his own life. The union filed a

challenge to Mr Tipene's dismissal with the Employment Relations Authority shortly before learning of his death. Under the Employment Relations Act, a case filed on behalf of a person who has later died can continue to be pursued.

May 2007

The public debate surrounding the Green MP Sue Kedgley's Employment Relations (Flexible Working Hours) Amendment Bill re-surfaced in the media (see November 2006 Chronicle). In the *Southland Times*, Angela McLeod from the New Zealand Federation of Business and Professional Women (BPW) said that all workers should have the statutory right to request part-time work and flexible hours. However, she cautioned that employees and employers needed the backing of law to ensure that "the system was not flouted by either party".

Both the *Press* and the *Dominion Post* reported that secondary teachers were demanding a \$300 million pay increase which could end up costing taxpayers about three-quarters of a billion dollars through parity deals with other teachers. The Post Primary Teachers Association (representing about 18,000 teachers) presented its three-year collective agreement claim to the Ministry of Education. It claimed that there was a global teacher shortage and New Zealand risked losing its best and brightest overseas there was more investment in its teaching workforce.

Unrest in the health sector attracted again headlines (see April Chronicle). Senior doctors were organising "unprecedented" stop work meetings after their negotiations with District Health Boards failed. The Chief Executive of the Association of Salaried Medical Specialists Ian Powell claimed that the doctor's union had tried to address "serious" recruitment and retention risks noting that senior doctors were "... under serious threat from Australia, which has significantly increased salaries for senior doctors due to its own shortages".

The escalation of strike action by laboratory workers was widely reported. After the suspension of seven striking lab workers the media noted that more strike actions were likely "as the bitter dispute with district health boards show[ed] no sign of ending". District Health Boards' spokesperson Gordon Davies said the two health boards involved in the suspensions had no option but to suspend workers.

The pressure for better employment conditions for health sector cleaners, orderlies and food workers continued (see March Chronicle). The *Timaru Herald* announced that "some of the lowest paid workers in the health system are expected to announce further strike action ... in an effort to get what they term a living wage". Service and Food Workers' Union (SFWU) spokesperson John Miller revealed that members had voted on whether further strike action was necessary. He said that "[t]he only pay rise these workers get is when there is a rise in the minimum wage but next year they will be paid less than the average wage...[t]heir top offer is our starting point". Later in the month, the union announced 4,160 separate strike actions on behalf of 2,800 members at public hospitals. Members were to stop work for 55 minutes in rolling strike action from May 31.

The saga at Air Nelson continued (see April Chronicle) with a report in the *Press* that the threat of a strike at Air Nelson had been withdrawn after the Employment Court announced it would side with the airline's injunction against the industrial action. The threat of strike action re-emerged later in the month following a breakdown in the negotiations between the airline and the union. After talks between the airline and the EPMU had failed, the *Waikato Times* reported on a picket near Nelson Airport's entrance, marking the first day of six weeks of strike action. In an article in the *Nelson Mail*, the airline rejected suggestions that it had used illegal labour to keep its operation running as the EPMU investigated whether some workers loading freight on to Air Nelson aircraft were legally entitled to work for the company. Subsequently, the EPMU filed for an interim injunction to stop the airline from using allegedly illegal strikebreaking labour.

Meanwhile the *Press* reported that students at the Christchurch Polytechnic Institute of Technology faced major disruption when more than 200 academics went on strike. A field officer from the Association of Staff in Tertiary Education (ASTE) said that the attitude of those he had been negotiating with was "appalling", as was the offer they had put on the table for union members.

The unrest at the Corrections Department continued (see April Chronicle) with media predictions that prisons would struggle to admit new inmates during industrial action by frontline managers in June. Public Service Association's Organiser Alan Ware announced that about 70 prison unit managers would begin taking action from June 7. It was claimed that the Corrections Department had reduced their salary by \$4,500 a year through cuts in their muster allowances last year. The allowance had been given for bulging prison numbers. Mr Ware claimed that "[t]o add insult to injury, the department has increased the pay of prison officers, who the unit managers supervise, by up to \$7000 a year".

A prison officer, who had already received a payout for wrongful suspension 10 years ago, received a second payout for wrongful dismissal and reinstatement to his old job. The prison officer was suspended in March 2006 (see March 2007 Chronicle) after he was accused of assaulting an inmate. But the Employment Relations Authority found that there was not enough evidence to support the claims, and ordered the Corrections Department to reinstate him, pay him for lost wages and a further \$5,000 compensation.

Several newspapers featured the unusual case of a highly respected clinician that had emailed photographs of his genitals. The doctor, who had name suppression, was dismissed by Auckland District Health Board in early 2005 after details of the photographs came to light. However, the Employment Court had subsequently ordered the doctor to be reinstated but had not granted permanent name suppression or compensation. The doctor appealed, therefore, for name suppression to be granted and compensation paid, while the Health Board cross-appealed for its dismissal of the doctor to be upheld and for his identity to be made public.

Coverage of the case involving Queen Margaret College continued in the *Dominion Post* (see March Chronicle). The school was accused by the former teacher of taking "retribution" against his supporters in a way he feared was designed to affect the outcome of his case. The school strenuously denied punishing witnesses, but its bid

to have all the supplementary evidence permanently suppressed as prejudicial was unsuccessful.

Another impact of full employment was the increase in employees challenging agreements stopping them from working for a competitor or setting up in business for themselves, according to Bell Gully employment lawyer Andrew Scott-Howman. He claimed in the *National Business Review* that there was growing uncertainty about the ability of an employer to enforce a restraint clause and that “[u]nder New Zealand law, restraints are on their face illegal, but due to a number of historical factors, the courts will enforce them to the extent that they are reasonable”.

In a rather extreme example of a vendetta against the boss, the *Dominion Post* reported that a Bowen Hospital staff member had appeared in court, accused of threatening to kill her boss in a hate-mail campaign and putting dog faeces in her letterbox. The employee (who was on unpaid leave from the hospital) appeared in the Wellington District Court charged with threatening to kill and criminal harassment, after a manager at the private hospital in Crofton Downs received about 30 offensive and abusive letters over 10 months. Along with the letters, the manager claimed she received cartoons depicting how she was going to die, and pictures of actresses with their eyes and mouths cut out.

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