TAKE THE POWER BACK

You will sometimes hear politicians talk about the relationship between workers and their bosses as a 'balance of power'.

In their version of reality, the balance of power swings back and forth on a pendulum between workers and bosses, depending on who is in government. When it's Labour, the balance supposedly tips back towards workers, while National governments benefit employers.

But none of this is real.

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In reality, this pendulum has swung further and further to the economic right since the 1980s in New Zealand, disproportionately benefitting business owners and shareholders rather than the people who work for them. When centrist governments are in power, the pendulum may swing slightly back towards workers, but it does this from so far to the right that the power returned to workers is minimal and often illusory.

The truth is that societies like New Zealand have cumulatively swung to the economic right for at least the last four successive decades, dragging the 'Overton window' of acceptable economic discourse along with them. Relying on politicians alone, it would take decades of sustained and progressive action to recover even the smallest arc of ground from the contemporary neoliberal and pro-business model of hyper-capitalism that treats workers as a distant afterthought beyond profit, growth and shareholders' dividends.

Our current National-ACT-NZ First coalition Government understands workers in this way. Even modest Opposition efforts to make progressive or pro-worker policies are met with shrill, pre-packaged right-wing outrage while the Government spends significant political capital rolling back hard-won protections for workers over this term in power. Unions are under attack, wage offers typically do not keep up with inflation, and all we're offered under this model is the possibility of voting for a 'less bad' government every three years.

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That's where our **Take the Power Back** policy paper comes from. This is an unashamed attempt to outline what true pro-worker political policy might look like. It's a summary of the major changes necessary to return power and wealth from bosses to workers, and the beginning of a blueprint for a more equitable society that resists the global slide towards authoritarianism and challenges the zombified idea of 'trickle down' economics.

Politicians also like to repeat the Otto von Bismarck quote about politics being "the art of the possible." Our collective problem is that we've now forgotten how to imagine the supposed 'impossible' of a better world for workers; one that is bolstered by a government that cares about our working lives and understands just how much 'impossible' political change is necessary to level the playing field.

This paper challenges you to imagine that better world; what real policy that unashamedly redistributed power and wealth away from businesses and returned some of it to workers would look like.

Not all of this will be palatable, particularly to those with a vested interest in protecting their sacred but destructive project of unfettered, limitless growth and business profitability above all else. But we hope that anyone reading this paper will find some inspiration and motivation for the long-overdue transformational project that must lie ahead of all of us – taking the power back.

In solidarity,

Workers First Union

Workers First Union

Editor's note

This research paper is a compilation of Workers First Union policy ideas related to workers' rights and not a fully financially costed and politically-prepared programme for a future government to campaign on. To be actionable in their entirety, these policies would need to sit alongside wider reform of our economic system, which is not dealt with in this paper (e.g. tax, welfare, housing and health), and the repeal of draconian, anti-worker policies enacted by the current Government.

Many of the policies described in this paper focus on reforming the Employment Relations Act – which is currently under threat by the coalition Government through Workplace Relations and Safety Minister Brooke van Velden and the ACT Party's proposed "Amendment Bill" – but other aspects of this paper touch on other legislative benchmarks and are noted as such where possible.

References are not displayed in-line but are collected at the end of the paper on page 30.

Workers First Union is not affiliated to any particular political party, and no politicians have contributed to this paper's policy development.

1. Strengthening good faith bargaining

New Zealand's collective bargaining system makes it too easy for employers to negotiate in bad faith. It's also too limited in its scope, being one of the very few systems among similar countries that only bargains for workplace-level outcomes.

a.

End "surface bargaining"

Surface bargaining is a tactic often used by one of the parties to the bargaining – typically the employer party – in which they merely 'go through the motions' with no genuine intention of reaching an agreement.

We propose a structured framework to progress collective bargaining that enables the parties to progress and move negotiations along in a meaningful, productive and timely way that results in reaching a collective agreement.

Our proposed framework would include a staged bargaining process that involves automatic and compulsory mediated and facilitated bargaining after a certain period of negotiations (specified in legislation) where the parties have failed to conclude an agreement. This framework would allow either party to apply for the Authority to fix the terms and conditions of the agreement on the basis that the bargaining has been unduly protracted, and the parties have failed to conclude an agreement after mediated and facilitated bargaining.

Example: How fixing works

An employer has been bargaining with union delegates for several months following the expiry of an existing collective agreement. The union has struggled to lock in further bargaining dates with the employer, who keeps returning to the table with no intention of negotiating further, and frustration is growing among workers at the deadlock. The parties have attended mediated bargaining and failed to reach an agreement. The delay automatically triggers compulsory facilitated bargaining. If both parties fail to find agreement during facilitation, the union can apply to the Employment Relations Authority to 'fix' the terms of the new agreement based on comparable agreements in similar unionised businesses.

b. End free-riding

Union members put significant time and resources into bargaining for better wages and conditions. But under current law, employers can simply "pass on" improvements from collective agreements to non-union workers, allowing them to benefit from the union's work without contributing to it. This "free-riding" undermines both collective bargaining and union membership.

The Employment Relations Act already allows for the collection of "bargaining fees" – contributions from non-union workers who receive the benefits of collective bargaining – but only if the employer agrees, a majority vote supports it, and even then, workers can still opt out. In practice, this makes bargaining fees ineffective in their current form.

We propose strengthening the law so that bargaining fees automatically apply at any workplace covered by a collective agreement, with no opt-out. Non-union employees covered by the agreement would contribute a regular fee (set at a proportion of union membership fees) throughout the life of the collective agreement.

This ensures that everyone who benefits from collective bargaining contributes their fair share.

Example: Free-riding

At a workplace where 100 employees are covered by a collective agreement but only 50 are union members, half the workforce benefit from wage improvements and better conditions negotiated by union members without contributing to the bargaining process. Applying a compulsory bargaining fee ensures that non-union workers covered by the collective agreement contribute fairly, while union members additionally get access to the full range of union support, like legal services, campaigns and democratic representation in the workplace.

C.

End the race to the bottom

Important sectors of New Zealand's economy run on low wages and poor working conditions. This harms ordinary people's living standards and currently encourages record-breaking numbers of Kiwis to move overseas.

Our country is unusual among its peers for restricting collective bargaining to the enterprise level, meaning negotiations happen between single businesses and their workers. To raise living standards, we urgently need sectoral bargaining, where union-negotiated terms of employment apply to all workers in a sector.

We propose what is known internationally as an 'extension mechanism' to provide sectoral-level outcomes efficiently. If there are collective agreements in a given sector, the relevant unions will elect an 'industry standard' CA which the government must use to set a statutory floor for terms of employment in that sector. Two-thirds of OECD countries use extension mechanisms or their equivalents, which improve workers' quality of life and spread best practices throughout a sector.

Example: An 'extension mechanism' in practice

New Zealand's supermarket sector is divided between two major chains. One operates under a single national collective agreement that covers tens of thousands of staff and clearly and transparently outlines wages and other important conditions at work. The other supermarket brand is made up of individual owner-operated stores, each negotiating (or not negotiating) separately, which results in wildly variable differences in pay and conditions across the brand and the country. Under our proposed policy, unions and government would identify the stronger collective agreement – the one with fairer and more robust pay and conditions – as the effective industry standard and extend its minimum terms across the entire sector. Every supermarket worker would then benefit from the same base protections and fair pay rates, while employers could still compete on quality, service and innovation rather than on how little they can get away with paying their staff.

The takeaway

Taken together, ending surface bargaining, tackling free-riding, and introducing sectoral bargaining ensure that collective negotiations are meaningful, fair, and extend benefits across entire industries. The overall effect is faster, more equitable agreements that lift wages, conditions, and worker protections nationwide.

2.Building economic democracy

Aotearoa needs more economic democracy. Our political system is largely democratic: generally speaking, we all have the right to vote on things that affect us, or at least elect representatives who make those calls. Our workplaces do not operate in the same way. We want New Zealanders to have more decision-making power in their workplace and their industry.

a.

Opt-out union enrolment

We must address the fact that by default, workers are too often kept in the dark about unions, or face pressure from their boss not to join.

Opt-out union enrolment – rather than the current opt-in framework – would make it easier for workers to join unions and access support and solidarity at work. Stronger unions are crucial in raising the standards of pay and conditions in Aotearoa.

In workplaces with an existing collective agreement, employees would be enrolled in their union by default after 30 days unless they actively chose not to join. This would make it harder for bad employers to intimidate their employees, and more workers would start their jobs with the protections of union membership.

Example: A new job

A new worker starts a job at a bank where a collective agreement is already in place. They are automatically covered by that collective's wages, penal rates, and safety protections from their first day. They are also automatically enrolled as a union member unless they choose to opt out within their first 30 days of employment. More workers increase the union's negotiating power in this bank. That strengthens collective bargaining and improves job security for new hires, which can help to reduce the vast power gap in the workplace.

b.

Worker representation on company boards

The basic point of democracy is that we should all have a say in decisions that affect us. But that isn't how workplaces usually operate. Company boards and executive officers are beholden to shareholders, not the workers who make up each company. Too often, the value made by employees gets sucked out of businesses to pay rich shareholders.

New Zealand should join the many countries in which workers have the right to be represented on company boards, meaning they participate in important investment decisions. This has been shown internationally to improve the reinvestment of resources and disincentivise harmful subcontracting while increasing the diversity of boards.

Companies employing a specified threshold of workers – outlined in the Employment Relations Act – should have boards comprised of a representative split between workers and corporates.

Example: Board representation in practice

At a New Zealand manufacturing company, worker-elected representatives would sit on the board alongside management in a balanced arrangement and give employees a voice in major decisions like investments, workforce needs, and business practices. With board participation, workers can highlight endemic business issues encountered on the 'shop floor', suggest beneficial reinvestments of profits into the business, and ensure employment and safety standards are maintained, like addressing understaffing or underpayment. Over time, this strengthens transparency and trust within a business. It aligns company strategy more with workers, instead of exclusively with shareholders seeking profit. This improved balance of interests would support productivity and more stable employment.

Establish worker assemblies

Union members know all too well how bad employers run roughshod over our rights when workers are separated and silenced. The ability of employers to prevent workers from discussing issues and collaborating on solutions stems from the inherent imbalance of power between these groups – an imbalance the ERA is supposed to address, but doesn't.

To build transparency into Kiwis' working lives, we need a new kind of democratic institution in Aotearoa: worker assemblies. Union members across each sector or industry would have the right to elect delegates to meet regularly and discuss the issues in that sector. These assemblies would be publicly funded and have a particular focus on health and safety issues.

They would be resourced with research support and required to produce an annual report to government on the working conditions in that sector, ranging from wage levels to physical and psychosocial safety risks. Government would be required to consider and respond publicly to recommendations. Through tripartite negotiations with unions and businesses, government would also be required to introduce appropriate safety regulations based on the assemblies' recommendations.

Example: A forestry workers' assembly

Imagine a large forestry operation in Aotearoa where workers elect delegates to a formal sectoral worker assembly. The assembly meets quarterly – supported by research staff – to review conditions like fatigue risk in remote camps, mental health stressors from long shifts, and the use of subcontractors in the industry. Each year it issues a public report to the government recommending specific safety regulation changes. The government is obliged to respond publicly and commit to action via tripartite negotiations. Over time this gives workers a structured voice in the hazardous forestry sector, where the fatality rate is nearly 20 times the national average.

The takeaway

Opt-out union enrolment, worker representation on boards, and sectoral worker assemblies collectively give workers a structured voice at all levels, from individual workplaces to industry-wide decisions. Together, these measures embed transparency and true decision-making power for workers across Aotearoa.

3. Supporting strike action

When employers ignore collective agreements, cut corners on safety, or make it harder for workers to take part in civic life, workers should have the tools to push back and reclaim their power. Stronger strike rights and paid civic participation will make it easier for workers to stand up for fair conditions and stay involved in the decisions that shape their lives and our society.

Right to strike against collective agreement breaches

Too often, employers get away with breaching employment agreements. One of the benefits of union membership is to have an agreement that's backed up by a collective of union members and staff who will challenge poor or negligent employers. Nevertheless, bad employers can waste workers' time and resources by refusing to correct their breaches until legal action looms.

Simply put: if an employer makes a serious or sustained breach of their collective agreement or sectoral agreement, employees should be able to strike in protest until the breach has been rectified.

Example: Striking against a breach

At an owner-operated supermarket, evening and weekend staff discover the employer has underpaid the agreed penal rates for overtime outlined in their collective agreement. After repeated attempts to resolve the issue, employees vote to take a short, targeted withdrawal of labour. The strike immediately halts work, drawing management's attention and putting pressure on them to remedy the breach. Within days, management meets with union representatives to discuss the breach and agree on a timetable to repay owed wages and ensure correct penal rates are applied in future.

b. Strengthen the right to strike on health and safety grounds

New Zealand's workplace injury rate is 25% higher than Australia's, and over 40% higher than Britain's. 73 Kiwis die at work every year, twice the rate of Australia. This is completely unacceptable.

The current ERA includes a right to strike on health and safety grounds, but workers often feel pressured only to strike in the most extreme circumstances, sometimes after considerable harm or death has been caused.

We want workers to be more empowered to say 'no' when an irresponsible employer puts them in danger, because the cost can be the loss of life at work. Section 84 of the ERA should be amended to specify that justifiable health and safety grounds for industrial action may include physical risks and psychosocial risks, such as staffing levels, workload and pace, bullying, and management behaviour.

Example: Health and safety strike

In Auckland, inner-city bus drivers have faced repeated violence and antisocial behaviour from passengers, but the council and operators have failed to provide additional on-bus security officers and prefer their own solution of an educational postering campaign about respecting bus drivers. Drivers, finding this insufficient given the ongoing risk to their safety and wellbeing, elect to take strike action and demand additional protection be provided by the responsible council and bus operators.

C.

Paid time for workers' civic participation

New Zealanders work about 100 hours more per year than their OECD peers. This presents a real barrier to participating in community and democratic processes. We want all workers to be able to engage meaningfully in civic life, whether that means attending rallies, local council meetings, or cultural events.

Let's expand section 26 of the ERA to deepen democracy in Aotearoa and ensure workers have a voice in society despite the demands of full-time employment. Similarly to paid union meetings, if an employee must leave their workday to participate in a community or political event, their employer would pay their usual wages for up to 4 hours each year.

Example: Participating in society

Employees could use up to four hours of paid time per year to engage in civic activities. One worker might attend a local council meeting, another could join a community cleanup, or participate in a seminar or cultural event. Self-directed and pre-notified to the employer, this policy in action would mirror the principle of paid union "stop-work" meetings but extend it to broader civic life, letting workers contribute to their communities and our democracy without losing income or personal time.

The takeaway

Strengthening strike rights for breaches and health and safety, alongside paid civic participation, empowers workers to challenge unsafe or unfair practices while also participating in democratic life. Together, these policies reinforce workers' agency and safety on the job.

4. Improving supply chains

Many New Zealand businesses have no processes to address modern slavery risks, and it shows. In 2022 around 10% of our imports were linked to forced labour or child labour, with the average household spending around $77 per week on these items. Let's end our country's horrific role in the use of forced labour.

a.

No sale of goods that use forced labour

Too many goods entering our market are tainted by forced labour, and New Zealand consumers are unwittingly financing exploitation.

New Zealand should follow the recent example of the EU in banning the sale, import and export of goods made using forced labour. These items simply have no place in our society, and Kiwis should no longer have to finance modern slavery in the supply chains created by private capital.

Banned goods currently on the market must be withdrawn, and the future importing of slavery-produced goods prohibited. Significant financial penalties would apply for non-compliance and escalate in severity for repeated breaches of supply chain standards.

Example: Banning goods

At the border, products such as certain textiles or electronics identified as produced by forced labour would be prohibited from customs clearance, and importers found to have knowingly brought them into the country would face potential fines and confiscations.

b.

Transparent supply chains

Without visibility of how goods are made and where the risks lie, slavery and forced-labour practices can hide in plain sight.

To maintain and deepen the improvement of supply chains in Aotearoa, large businesses and government bodies must annually disclose the modern slavery risks in their operations and supply chains, and what they are doing to mitigate these risks. These reports will be publicly available.

Example: Supply chain transparency

A major New Zealand retailer is obliged to publish a “Modern Slavery Risk & Response” statement each year, showing how its textiles, electronics and food supply chains were audited, how many high risk suppliers were flagged, and what actions were taken, e.g. supplier audits or termination of contracts.

Due diligence

Firms must act when they discover slavery – not delay or impose superficial fixes.

If a reporting entity like a retailer discovers that forced labour may be occurring in its operations or supply chain, the entity must act immediately to mitigate this risk and demonstrate that it has done so.

Example: Due diligence in supply chains

In Germany, managers responsible for failures of supply-chain due diligence can be fined up to €800,000, and businesses up to €8 million. German law requires companies to identify, prevent or remedy forced labour and other human rights risks in both direct and indirect suppliers. Those found to have ignored red flags – such as allegations of child labour or unsafe working conditions at a supplier – can be subject to large fines and exclusion from future contracts, as well as suffering reputational damage from public disclosure.

The takeaway

Banning goods produced by forced labour, enforcing transparent reporting, and mandating due diligence create a robust framework to eliminate exploitation from New Zealand supply chains. The combined effect is ethical, accountable trade practices that protect workers domestically and contribute to crucial global attempts to end modern slavery.

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5. Addressing tech 'disruption'

While technological advancements – including the widespread use of AI large language models (LLMs) – can bring benefits to businesses and workers, many new industrial issues are emerging around how technology is used in workplaces, how it disrupts existing employment law and regulatory oversight, and how it can undermine workers' rights.

a.

Recognise platform workers as employees

Platform workers have no employment rights in Aotearoa: no minimum wage, no sick leave, no annual leave and no right to join a union. They also have no right to recourse if their employer mistreats them. New forms of work via apps are bypassing employment protections and leaving workers in a semantic gap between 'contractor' and 'employee'.

New Zealand's Employment Court and Court of Appeal have found that certain platform workers meet all the tests that define an employee. When an Uber driver is working, they're *subordinated* to their employer, *controlled* by their employer, and *integrated* into the business. For instance, the conditions under which drivers perform trips are non-negotiable. Drivers are prevented from setting their own fares and barred from basic information that would inform whether or not they undertake a trip.

We now need to catch up with the growing number of countries who have passed clear laws stating that platform workers are employees with rights. As in the EU, employee status for gig workers must be the 'default legal presumption'; and if companies wish to challenge a worker's status, they can pursue a test to prove that a given worker is a contractor instead. We can refer to this as a 'negative test' for employment: companies using predatory labour arrangements must bear the burden of proof in demonstrating non-employment status, making workers' rights the starting point rather than the exception.

Example: Gig economy rights

In the European Union, the newly adopted Platform Work Directive introduces a 'legal presumption' that a platform worker is an employee if certain indicators (for example, the assignment of work tasks by an algorithm) are met. This means that gig economy corporations must prove a worker is not an employee rather than the worker proving that they are. This law also regulates algorithmic decision making and ensures workers have access to information on automated systems used by platforms.

b.

Workplace AI protection agreements

As AI proliferates in workplaces, the risks to worker autonomy, privacy and job security escalate without protections in place. Twice as many jobs were lost to workplace AI in 2025 than in 2024. Employers have begun using it to spy on workers, measure their productivity, and trigger disciplinary processes. While AI can be useful in the hands of workers, it's demonstrably harmful when used to control people.

The New Zealand Council of Trade Unions has developed a strong set of principled considerations for workers and businesses regarding the introduction of AI. We call for mandatory agreements that employers seeking to introduce AI technologies must pursue with their employees. These agreements would support data protection and privacy, job security, skills development, work quality requirements, and more.

Example: An AI agreement

In a large delivery company, management proposes deploying an AI driven productivity monitoring system that tracks delivery times, driver behaviour and idle time. Under a negotiated AI protection agreement, workers and union representatives secure a clause requiring that: (i) no automated system can trigger disciplinary action without human review; (ii) data collected must be transparent and accessible to workers; (iii) workers are given paid training and up-skilling for the new AI tools; and (iv) job disruptions caused by automation must be managed with redeployment or transition support. This ensures AI is introduced with the input of workers and not simply as a cost cutting tool.

The takeaway

Recognising platform workers as employees and introducing AI protection agreements together ensure that emerging technologies and gig work operate under clear employment rights and safeguards. Collectively, these measures protect jobs, privacy, and worker autonomy in an increasingly tech-driven economy.

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