IN THE EMPLOYMENT COURT AUCKLAND

[2013] NZEmpC 99 ARC 87/12

| IN THE M | | HE MATTER OF | a challenge to a determination of the Employment Relations Authority | |
|--------------|----------------|---|--|--|
| | BETWEEN | | AVIATION AND MARINE ENGINEERS ASSOCIATION INC Plaintiff | |
| | | | AIR NEW ZEALAND LIMITED Defendant | |
| | | | ARC 90/12 | |
| | BETWEEN AND | | NEW ZEALAND AMALGAMATED ENGINEERING, PRINTING AND MANUFACTURING UNION INC Plaintiff | |
| | | | AIR NEW ZEALAND LIMITED Defendant | |
| Hearing: | | 29, 30 and 31 January, 1, 4, 5, 7, 8 and 22 February and 7 March 2013 (Heard at Auckland) and by memorandum filed on 28 March 2013 | | |
| Appearances: | | Jim Roberts and Jodi Clark, counsel for plaintiffs Andrew Caisley, counsel for defendant | | |
| Judgment: | | 4 June 2013 | | |

INTERIM JUDGMENT OF CHIEF JUDGE G L COLGAN

- A Line maintenance work of aircraft engineers (as defined at [1]-[4]) is not covered by the Blue or Green Book collective agreements.
- B Collective agreement coverage is determined by the terms settled in the collective agreements, which terms do not include the job descriptions of, or other unilaterally determined documents affecting, individual employees who are members of the plaintiff unions.

- C The defendant was and is not entitled in law to direct (without their agreement) employees who are members of the plaintiffs and covered by the Blue and Green Book collective agreements to carry out line maintenance work (as defined in [1]-[4]) except in accordance with the temporary transfer clauses of those collective agreements.
- D The defendant is estopped in law from asserting that the Green Book collective agreement covers the performance by members of the New Zealand Amalgamated Engineering, Printing and Manufacturing Union Inc of line maintenance work (as defined in [1]-[4]).
- E The plaintiffs' applications for compliance and injunctive orders are adjourned sine die to enable the parties to negotiate (if necessary with the assistance of a mediator) variations to the relevant collective agreements including to enable the defendant's proposed restructuring to take place lawfully.
- F The plaintiffs' applications for penalties for breaches of ss 41(3), 43, and 62(2) and (3) of the Employment Relations Act 2000, and for compliance orders to prevent such future breaches, are adjourned sine die on the same basis as E above.
- G Pursuant to s 188(2)(c) of the Employment Relations Act 2000 the parties are directed to engage in further mediation with a view to resolving the issues between them not yet decided by this judgment and relating to the defendant's proposed restructuring of its aircraft engineering operations.

[1] The meaning of the phrase "line maintenance" in the parties' employment relationships is at the heart of this case and is not agreed. It is, therefore, necessary to define line maintenance. That is, first, because the parties have not done so in any of their relevant collective agreements. It is also necessary to define relevant aircraft engineering activities as either falling within or outside the phrase "line maintenance" to determine the parties' rights and obligations.

[2] "Line maintenance" work is defined by a combination of the type of work performed and a description of the classifications of those employees who performed it. It is the work previously undertaken by AMEs, LAMEs and Team Leaders in the former division of the company known as the Terminal Services Business Unit. The work performed is that of checking, servicing, maintaining and certifying aircraft that are between scheduled services in the course of each flying day or other flying period, in preparation for such scheduled services at the start of a day's or period's flying, and at the conclusion thereof. Line maintenance work includes such work on both Air New Zealand's own aircraft, and contracted customer aircraft.

[3] "Line maintenance" work so defined may be distinguished from other Air New Zealand aircraft engineering work (performed by aircraft engineers engaged under the Blue and Green Books collective agreements) which includes work in and around the company's hangars at Auckland and Christchurch Airports and the performance of light and heavy maintenance (A and C checks) on both the company's own aircraft and contracted customer aircraft.

[4] Incursions into line maintenance work by Blue and Green Book employees are, even if regular, relatively minor and are often out of necessity. Such incursions include the arrival on one day a week at Christchurch of a Qantas freighter aircraft and the processing of the arrivals and departures of customer aircraft (ferry flights) intended for having hangar based maintenance including, in Christchurch, Virgin Australia (VA) and Virgin Australia New Zealand (VANZ) aircraft and, in Auckland, Hawaiian Airlines aircraft arriving before and departing after heavy hangar maintenance. Falling the other side of the dividing line in my assessment are the deployments to other airfields in New Zealand and, also temporarily, to overseas destinations including with charter flights of engineers to perform line maintenance tasks in those locations. Such work is line maintenance work and is covered by the Purple Book collective agreement.

[5] For the reasons outlined to the parties by the Registrar and by minute issued on 4 June 2013, this is an interim judgment giving only the result of the case but with detailed reasons to follow when these are able to be finalised.

> GL Colgan Chief Judge

Judgment signed at 10 am on Tuesday 4 June 2013