



RAIL AND MARITIME TRANSPORT UNION INC NATIONAL OFFICE MEMORANDUM

Date: 12 October 2021
To: All KiwiRail Members
From: Wayne Butson, General Secretary
Subject: KiwiRail – RMTU MECA Bargaining Status Statement #2

This is not a joint bargaining update notice. This notice is the second issued and should be read in conjunction with the earlier notice dated 26 August 2021.

The BPA (Bargaining Process Agreement) provides for each party to be able to make single updates to stakeholders on a no surprises basis in the event that agreement cannot be reached on joint statement. To meet the no surprises this notice will be provided to KiwiRail as well as members.

To remind members the unanimously agreed (amongst the bargaining team) RMTU claim for this MECA renewal is; "a single priority claim of an 8% general Increase to all wages and allowances within the MECA and for the increase to be paid as a flat rate universal increase to all members with a 12 month term for the new MECA. The RMTU also expects KiwiRail to complete the uncompleted payscale 1, 2, 4 and 7 market study reviews agreed as part of the last MECA settlement to be completed prior to any general increase being applied this wageround".

KiwiRail and the RMTU met in a Microsoft Teams meeting on 6 October 2021. During this meeting KiwiRail tabled an "offer in resolution of the KR-RMTU MECA negotiations". Twenty one elected Industrial Council members of the wider RMTU negotiating team were able to join the meeting together with myself and four members of staff.

The KiwiRail offer;

1. Term – 2 years – from 1 July 2021-30 June 2023.
2. Year 1 (12 months) – a 2% increase to all wage rates and allowances, backdated to 1 July 2021.
3. An additional top up as required to bring all those on affected pay codes in the occupational groups whose Pay Scale reviews have now been concluded, to a 0% variation from the EY median salary equivalent, backdated to 1 July 2021.
4. Also in Year 1, a \$750 lump sum to all RMTU members covered by the MECA.
5. Year 2 (12 months) - a 2% increase to all wage rates and allowances, effective from 1 July 2022.
6. Lieu (Alternative) Days – Clause 25.5 Public Holidays:
 - Delete Cl.25.5.2 (Provides for additional lieu day even if a Public Holiday is not worked, with exemptions.)

URGENT: National Office Memo 12 October 2021

- Amend (and renumber) Cl.25.5.3 to read: *If a public holiday falls on a day that is not your normal working day and you do not work on that day, you will receive 8 hours pay, paid at your hourly rate.* (Deletes reference to LEs and Train Controllers, thereby applying to all employees.)

7. Medical Retirement – Clause 27.3 Termination for Incapacity:

- Amend 27.3.2 by adding the following words to the end of it: *This clause shall only apply to those who have not yet reached the age of eligibility for the guaranteed retirement income.*
- Amend 27.3.3 to read: *Clause 27.3.2 does not apply to members of the NZ Locomotive Engineers' Sickness, Accident and Death Benefit Fund or to those who have already reached the age of eligibility for the guaranteed retirement income. The following applies instead.....etc.*

8. Locomotive Engineers and Productivity – a short term (4 month) Working Group set up with RMTU LEs and Operations managers to investigate ways of improving productivity.

9. All other existing MECA clauses shall be carried forward from the expired MECA.

Following some questions and answers to clarify the offer the RMTU delegates met on Zoom to discuss the company offer. The team unanimously agreed that the offer was insulting and derisory and it was resolved that the Unions National Office was to commence a postal strike ballot for voting on by members. The so called lumpsum payment in year one came in for strong criticism as this is a one off and has not ongoing benefit to members. The strike ballot preparation work has been done and the ballot is ready for envelope stuffing and posting..

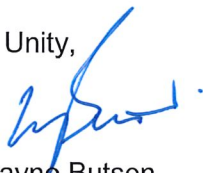
On 7 October KiwiRail requested that the RMTU agree to a further "short line up" meeting with the company. The wider team had elected a short line up of 15 delegates and three staff including myself for such an event. This is scheduled for Thursday 14 October 2021 at 1500hrs. The KR CEO Greg Miller and COO Todd Moyle will be in attendance.

Following this meeting the short line up will determine whether we press ahead with the strike ballot or believe that progress can be achieved by further discussion on the key points.

Whether or not KiwiRail's clawback claims have been withdrawn and a real and meaningful 8% pay rise.

We will keep you informed.

In Unity,



Wayne Butson
Advocate KR Wageround