<u>2014-2016 KiwiRail / Rail & Maritime Transport Union – Collective</u> <u>Agreement Negotiations</u>

Memorandum of Understanding

October 2014

The following arrangements agreed between the parties as part of the above negotiations are as follows:

Relationship Charter

KiwiRail and the RMTU agree to actively use a Relationship Charter as its guiding principles to meet not only its Good Faith requirements but for any initiatives nominated by either KiwiRail or the RMTU.

Terms of Reference for Industrial Councils

KiwiRail have developed a terms of reference template which can by agreement by both parties be altered for each Industrial Council or can include RMTU delegates from other Industrial Councils.

Administration Council

KiwiRail and the RMTU agree that an Administration Council is to be formed to consider the following claims as part of a new working group, and will run along the same lines as the current Industrial Councils:

- a. Prescription Glasses
- b. Call out and Call backs
- c. Tea & Coffee provisions
- d. OJT Allowances
- e. Living Wage Review
- f. Asbestos Management, Process and Register

High Performance Engagement

KiwiRail and the RMTU agree to enter into discussions on High Performance Engagement and working collaboratively to achieve mutually beneficial outcomes such as operational business improvements.

KiwiRail wants to refresh the current approach to Industrial Councils to streamline and become more relevant to a "One KiwiRail" approach to the way we work.

Drug and Alcohol Policy and Procedures

KiwiRail and the RMTU agree to move to saliva testing for all testing except for preemployment and testing under rehabilitation agreements. The current method, which is urine testing, is part of our safety system and KiwiRail is required to seek a variation to this from NZTA. KiwiRail will follow this course of action.

Infrastructure and Asset Management (I&AM) Wages Relativity Review

KiwiRail has in consultation with the RMTU attended a presentation on I&AM Market Relativity Study for Track staff. A presentation is being developed by DSD for RMTU to discuss with its members.

KiwiRail agrees to undertake a similar review of Train Control using DSD. A working party will be formed, consisting of three KiwiRail representatives, and three RMTU delegates, plus an RMTU official.

Pay Scale 4 - Mechanical Engineers

KiwiRail agrees that all PayScale 4 rates be subject to a market review conducted by DSD and this review will take into consideration all mechanical members covered by the Collective Agreement including those covered by PayScale 1. This review will also consider whether a transition to PayScale 4 is appropriate or not. The review will also assess whether payment of trade certificate allowances should be made.

Information for this review is to be provided by payroll prior to the review commencing to avoid any exceptions requiring resolution after the review. KiwiRail and the RMTU will agree on each role after the review.

Gate In/Gate Out Officers

KiwiRail agrees to the movement of these roles from PayScale 1 into PayScale 8. This movement is to be managed and resolved within the Freight Industrial Council. As part of the review and prior to commencing, payroll will provide specific individual rates for all of the members performing the role to avoid any exceptions after the transition.

EF, Wheel Lathe & Cab Controlled Overhead Crane Allowance(s)

KiwiRail agrees to refer these matters to the Mechanical Industrial Council with for further discussion and resolution by the parties.

Rail Operator and Remote Control Operator

KiwiRail agrees to review with the RMTU the pay scale and progression criteria for Rail Operators & Remote Control Operators within a Freight and Passenger working group.

Fuel Miser/DAS

KiwiRail and the RMTU are committed to continuing work on the Fuel Miser / DAS initiative through the Freight Industrial Council.

ROM Provisions

KiwiRail and the RMTU agree to a joint working party with Freight, I&AM and Passenger to review the ROM provisions.

Apprentices

KiwiRail are committed to employing more apprentices within the trade areas of KiwiRail.

Matariki

KiwiRail agrees to engage with Te Kupenga Mahi to identify suitable ways to recognise the cultural significance of Matariki within KiwiRail.

I&E Manning Levels

KiwiRail agrees to refer this matter to the KiwiRail Networks Industrial Council for further discussion and resolution by the parties.

DRDO's for I&E

KiwiRail agrees to refer this matter to the KiwiRail Networks Industrial Council for further discussion and resolution by the parties.

Undertakings

KiwiRail agrees to include all previously given undertakings in the Memorandum of Understanding and all Schedules.

Book-On and Book-Off Arrangements

KiwiRail Freight have advised that they are considering the introduction of new rostering technology that may include electronic book-on and book-off arrangements.

The parties agree to work together, through the KIC to ensure a successful transition as the technology evolves.

Conversion of further Shunt Operations to Remote Control

Where KiwiRail Freight identifies opportunities to free up locomotive engineer resources currently manning terminal shunts, through natural attrition (i.e retirement, resignation, transfer or promotion) or the gaining of new work, the RMTU will work co-operatively to facilitate the transition of this work to remote control operation.

This agreement is restricted to terminal shunting services utilising shunting class locomotives only. The implementation process will be facilitated through the KIC.

Privilege Benefits

Both the current and future employees in the Wellington Passenger Mechanical depots will continue to receive free travel on Metro services to and from work.

Ex UGL Auckland KiwiRail Freight members shall retain travel privileges with Transdev Auckland as previously applied by the company.

Remote Control Operators - Picton and Wellington

As agreed in the 2012 KiwiRail and RMTU settlement, Picton and Wellington will remain designated as Mainline Remote Control Operators.

Container Terminal Site Progression

The outcome of the Container Terminal Operators pay progression working party will be implemented and that the new rates of pay and progression criteria will be incorporated in Pay Scale 8.

KiwiRail Freight Fueling Arrangements

KiwiRail has identified that there are opportunities to refuel locomotives and forklifts. The parties agree that such fueling can be proposed by KiwiRail at worksites that do not have servicing staff.

Locomotive Engineers will not fuel Icomotives on step on step off shifts.

Any implementation process, site specific, will be facilitated through the KIC and the MIC in conjunction with local representation. For avoidance of doubt, such site specific discussions will include but are not limited to; rostering hours of work, PPE/facilities, minimum/maximum refuelling times per vehicle and interoperability.

Infrastructure and Asset Management – Delivery of the Turnaround Plan

The Infrastructure and Asset Management and RMTU 'Agreement for Delivery of the Turnaround Plan' agreement will be renewed for the term of the agreement.

Tranz Metro On-Board Manning Levels

KiwiRail have agreed to work in collaboration with the RMTU with a view to establish agreed on-board manning levels for all Tranz Metro Wellington EMU services. The following reflects the parties discussions.

Desired:

The desired rostered staffing level for Tranz Metro Wellington EMUs will be a Locomotive Engineer and a Train Manager per 2-car set, and where reasonable additional cars thereafter will be staffed in accordance with the matrix below. These desired levels are also the absolute minimum rostered staffing levels for the Johnsonville line Tranz Metro Wellington EMUs.

Absolute Minimum:

When the desired rostered staffing levels are not reasonably achievable, the absolute minimum rostered staffing levels for all other TMW EMUs will be a Locomotive Engineer and a Train Manager per 4-car set, and additional cars thereafter will be staffed in accordance with the matrix below.

Tranz Metro EMU On-Board Manning Levels Matrix (Does Not Include LE):

Total Consist Size (Cars)	Desired On-Board Staff per Consist	Absolute Minimum On-Board Staff per Consist
2	1	1
4	2	1
6	2	2
8	3	2

If the absolute minimum staffing levels for Tranz Metro Wellington EMU's cannot be achieved, then contingency measures such as locking up of cars to meet absolute minimum staffing levels can be implemented.

In addition to the above, Tranz Metro will also:

- In conjunction with the HSAT, develop the Mis7 reporting forms to detail manning levels, number of cars and space for on-board safety comments, for review by the HSAT.
- Extend this joint KiwiRail/RMTU manning review to include all Tranz Metro Wairarapa services.
- In conjunction with the HSAT, develop and incorporate reporting on manning levels to be included in the Passenger Group Safety Report.
- Undertake a joint KiwiRail/RMTU 12 month review of the manning requirements on all Tranz Metro services, led by the HSAT.

Following this work, KiwiRail also agree to extend this manning review collaboration to include all Tranz Metro Wairarapa services.

Company Required Medical Examinations

KiwiRail agrees that if an employee is booked on a company required medical examination on a day of work they will be paid relevant daily pay for their rostered hours. KiwiRail medical examinations on an employee's rostered day off are voluntary. If the employee attends a medical on their rostered day off, they will be paid 4 hours relevant daily pay.

Special Paid Union Leave

The existing arrangements in respect of paid leave of employees for union purposes are renewed in this MOU.

As for previous years, the provision of special leave on pay for union officers will be on the basis of one day per 25 members.

As at October 2014, KiwiRail employs 2677 members of the RMTU who are party to the Collective Agreement. This equates to 107 days (2677/25 = 107) union leave for the year 1 July 2014 to 30 June 2016.

It is agreed that this leave is to be used for the following purposes:

- Attendance at the national conference for the union
- Other purposes arranged between the General Secretary and Industrial Relations Manager where absence is needed in connection with issues affecting KiwiRail and:
 - The absence does not involve other employees working extra work periods or overtime to cover the absence; and
 - Work can be rescheduled without effecting customer service

The Corporate Human Resource office should receive applications preferably 21 days prior to the date of the commencement of the intended leave. Graeme Boomer is the KiwiRail contact person.

The parties accept that the successful application of the above initiatives is a negotiated and important component of the 2014-2016 Collective Agreement settlement.

Peter Reidy Chief Executive KiwiRail Wayne Butson General Secretary Rail & Maritime Transport Union Inc