



2010 – 2012 KiwiRail /Rail & Maritime Transport Union - Collective Agreement Negotiations

MEMORANDUM OF UNDERSTANDING

10 September 2010

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

Industrial Councils

These agreed Councils are –

- KiwiRail (Freight) Industrial Council (KIC)
- Mechanical Industrial Council (MIC)
- Passenger Industrial Council (PIC)
- KiwiRail Networks Industrial Council (KNIC)
- Interislander Industrial Council (IIC)

Book-On and Book-Off Arrangements

KiwiRail Freight has 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.

Start-up and Shut-down of Locomotives

The parties note that fuel costs are escalating globally, therefore there is a clear and urgent need to conserve fuel.

To assist in addressing these concerns the parties commit to explore opportunities for greater fuel savings.

One immediate opportunity identified by KiwiRail Freight is altering the existing arrangements for shutting-down and restarting locomotives in situations where they are likely to stand, unused, for extended periods.

The site specific application and introduction of altered arrangements will be managed and administered through the KIC.

Conversion of 2nd Man Locomotive Running Positions to Rail Operator

Where KiwiRail identifies opportunities to free up locomotive engineer resources, on services currently manned by two Locomotive Engineers, 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 manning to a single Locomotive Engineer and a 2nd person qualified Rail Operator.

The implementation process will be facilitated through the KIC.



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Introduction of part-time Locomotive Running Positions – Tranz Metro Wellington

On the basis of the negotiated agreement to move all Tranz Metro LEMU's to Scale B effective 01 July 2007. Tranz Metro LEMU's who are not or who have not been diesel qualified may not progress beyond 5th year – Grade 1.

RMTU will support and commits to act reasonably and in good faith on any proposal for the introduction of part-time locomotive running positions within the Tranz Metro Wellington business area.

The parties are concerned about the increasing age demographics within Locomotive Running in Tranz Metro Wellington, coupled with staff shortages and skill retention, and are looking for ways of retaining skilled staff who may wish to reduce their current hours of work.

Any implementation process will be facilitated through the PIC in conjunction with local representation.

Conversion of further Terminal 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.

Special Paid Union Leave –

The existing arrangements in respect of paid leave of employees for union purposes is 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 10 September 2010, KiwiRail employs 2730 members of the RMTU who are a party to the Collective Agreement. This equates to 109 days ($2730/25 = 109.2$) Union leave for the year July 1 2010 to June 30 2011.

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 General Manager Human Resources 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.
- Paid leave provision is varied so that wage bargaining and the ratification report-back meetings are exempted from being a debit to the Paid Leave component.

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



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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 KRM members shall retain travel privileges with Veolia Transport Auckland as previously applied by that company.

Working Parties

As Working Parties conclude their work "the change during currency clause" will be used to ratify the Working Party recommendation.

Status of the Working Parties:

Mechanical – pay progression document is being prepared for further discussion at the next Mechanical Industrial Council

Medical Retirement – position paper prepared, cost of any change being assessed

Terminals and CT – work has been completed on the Freight Team Leader roles and Container Terminal Operator progression with report back to staff/members on outcomes to be undertaken in the near future

Tranz Metro Train Managers – Scheduled to meet in the week beginning 20 September to advance the work being done on the progression criteria.

KiwiRail Networks –

- Career Pay Progression - progression plans near completion, implementation planned for early 2011, nearly ready for ratification
- Hours of Work – movement to 24/7 – completed, ready for ratification

The parties accept that the successful application of the above initiatives is a negotiated and important component of the 2010-2012 Collective Agreement settlement.

Jim Quinn
Chief Executive
KiwiRail

Wayne Butson
General Secretary
RAIL & MARITIME TRANSPORT UNION INC

DATED... 21-9-10.