

KiwiRail exploitation case heads to court

Rail and Maritime Transport Union (RMTU) media statement: 26 August 2015

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- **Rail workers' union takes test case to determine the employment status of Chinese engineers working under warranty to remove asbestos from KiwiRail's imported locomotives**
- **Allegations of exploitation emerged in 2014, including allegations of minimum wage and holiday entitlement breaches**
- **MBIE concluded New Zealand laws probably don't apply to the China-based engineers, but the [Workplace Relations Minister told media](#) the only way to confirm the legal position is in the courts**

The RMTU is heading to the Employment Relations Authority (ERA) to determine whether Chinese engineers who are removing asbestos from KiwiRail locomotives are covered under New Zealand employment law, announces RMTU General Secretary Wayne Butson.

After the allegations of exploitation [emerged](#) a Ministry of Business, Innovation and Employment investigation concluded that New Zealand law probably doesn't apply to the engineers. The government was content with the legal uncertainty.

"If our law doesn't apply to foreign workers carrying out work on New Zealand soil, what's stopping other companies from replacing their local workers with cheap labour from overseas," asks Butson.

"If the government had taken a long term view and invested in local locomotive workshops like Hillside in Dunedin then we wouldn't be in this mess."

"This is work that should have been done by New Zealand workers to a New Zealand standard. Instead the government decided on a procurement strategy that favours foreign suppliers who, it turns out, delivered locomotives containing asbestos," says Butson.

"The government needs to revisit its ideological preference for foreign suppliers. The Chinese locomotive debacle proves that New Zealanders can do the work cheaper and to a better standard."

What: Application for removal to the Employment Court (KiwiRail is the respondent)

Where: ERA, 50 Customhouse Quay, Wellington

When: 27 August 2015, 10am.

For further information contact RMTU General Secretary Wayne Butson: 027 496 2461

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