



LANDMARK PAY DEAL STRUCK AT KIWIRAIL

27 August 2018

The Rail and Maritime Transport Union and KiwiRail have today signed a landmark pay deal which will see a flat rate of higher pay applied across all 2319 of its members, rather than the usual percentage increase for workers.

This will mean that the lowest paid RMTU workers at KiwiRail will receive the highest percentage increase in their pay-packets, a move supported by their higher-paid colleagues who will receive less.

"This is a significant pay deal for those who need it most," says RMTU General Secretary Wayne Butson. It has been supported by KiwiRail who will pay the two year increase up front, adding 6.9% earnings on to the rates of those at the bottom of the pay scale.

"This deal was negotiated within a day and with immense goodwill on both sides of the table," says KiwiRail Chief Executive Peter Reidy. "I commend the RMTU for initiating this innovative solution which is not only fair but will help those who need it most."

"KiwiRail's purpose is providing stronger connections for a better New Zealand. This deal reflects our desire to play our part and improve the standard of living of all while lifting productivity.

"KiwiRail and the RMTU have worked closely together over the past three years on a High Performance, High Engagement programme which brings management and workers together to develop frontline solutions to business issues.

"It has seen productivity gains and health and safety improvements at the organisation, but more importantly it has signalled a new era of workplace relations.

"We have moved into a partnership model with the RMTU and tackle many of our issues together as they arise," he says. "That this landmark pay deal was negotiated in such a short period of time and with support from both sides shows how far we have come together."

RMTU General Secretary Wayne Butson says HPHE has energised its membership.

"We have worked consistently with HPHE and our members have found the process encouraging and energising. When workers see what needs doing and their suggestions are taken seriously, their confidence is boosted and their job satisfaction increases. Taking this process through to pay talks seemed the next best logical move and we're delighted that KiwiRail management thought so too.

"It is with huge relief that we reported to our members that the system they are now using regularly in their work place (HPHE) was the basis for a fair pay deal which starts to narrow the gap between the low and well paid.

"Personally, I'm over the moon that RMTU members have seen the value of a pay deal which evens the playing field and supports the fairness and collective bargaining principles of unionism. Maybe this small chink in the capitalist armour will see a new age of fairer pay deals, less greed and a more equal society," Mr Butson says.

The pay deal takes effect from 1 July 2018 and is effective for two years.

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