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KiwiRail tender may see some work done locally

Rail workers say strong local content provisions in tender documents for Auckland's new trains reflects a dedicated 'buy local' campaign from unions, local authorities and chambers of commerce in Dunedin and Wellington.

KiwiRail's tender document, released yesterday, encourages firms to ally themselves with New Zealand subcontractors or suppliers and "include as much New Zealand content and resources in the design, construction, delivery, testing, maintenance and support of the EMUs as is appropriate."

"We consider it a victory for our buy local campaign that the tender documents at least encourage local content. This is in contrast to Wellington's Matangi trains which had no New Zealand content at all," Rail and Maritime Transport Union General Secretary Wayne Butson said.

"Dedicated follow through is needed however, to make sure these statements are not just words. We would expect KiwiRail to implement this recommendation rigorously when it reviews tenders."

"Our first preference has always been that these trains are built locally. Our members are keen to do this work, the economic case backs them up, and we will continue to advocate for the full build to be done locally."

"But strong local content provisions in the tender documents are the next logical step if this isn't the case," Wayne Butson said.

Ends.

For further information: RMTU General Secretary Wayne Butson on (04) 473-6693 or (027) 496-2461

Notes: KiwiRail has \$500 million for new electric multiple units and locomotives for Auckland. Economics consultancy BERL estimated last week that local construction of these would add between 770 to 1270 additional jobs and \$232 to \$250 million to GDP. The BERL report is here: <u>http://www.berl.co.nz/1140a1.page</u>