Media Release: Rail and Maritime Transport Union

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KiwiRail can't say how job cuts will impact on the network

The country's rail workforce remains deeply concerned about the impact of job cuts on their ability to safely maintain the network, the rail workers' union said today.

KiwiRail have today confirmed that they are seeking to cut 181 staff positions from their Infrastructure and Engineering division.

"KiwiRail's recent history of cost cutting and contracting out has been disastrous," Rail and Maritime Transport Union General Secretary Wayne Butson said.

"Chinese locomotives lie around awaiting repairs. In February one in ten of the Chinese built flat top wagons were out of the fleet undergoing repairs. And sleepers from Peru are rotting."

"No one was held accountable for these problems. Following the first major derailment or operating incident linked to the network's infrastructure, Chairman John Spencer and CEO Jim Quinn must be held accountable for these staffing cuts."

"This exercise is not based on reducing staff to a number which can maintain the track safely in a fit for purpose state."

"It is an accounting exercise to save \$200 million and meeting head count targets, nothing more."

"When KiwiRail managers were asked directly at a meeting with Union leaders whether staff cuts would mean KiwiRail could still maintain the network safely, neither I&E general manager Rick van Barneveld, or his three regional managers would give this commitment."

"Put simply, KiwiRail do not know how these cuts are going to work in practise."

"The view of experienced, skilled rail workers is it will increase risk for operating staff and the travelling public on the network. It will cause a crisis in available labour, which will open the door to more outsourcing. And major gains in track standard remediation post privatisation will stagnate initially and then worsen."

"In 2005 the railway was in private ownership and suffering huge amounts of deferred maintenance. KiwiRail's comparison with that period today ignores this fact."

Wayne Butson said KiwiRail was asking workers to believe that <u>advertisements placed</u> by a major contractor for rail workers skilled in "rail project development, track construction, brownfield railway work" and more, that appeared the same week as the redundancies were announced, is just a coincidence.

"This is certainly a nominee for a Tui yeah right award," he said.

Ends.

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