

## **KiwiRail must honour local involvement pledge**

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Rail workers say KiwiRail must honour the local content provisions it put in tender documents for the construction of Auckland's new electric multiple units.

KiwiRail announced late on Friday that they had reached a short list of four potential suppliers to build the trains, following an expression of interest process in May.

KiwiRail's tender document encouraged 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."

"Rail workers are gutted that the trains are not being built in New Zealand, despite the capacity existing at Hillside and Woburn workshops, and a comprehensive economic case backing a local build," said Wayne Butson, General Secretary of the Rail and Maritime Transport Union.

"But local content provisions in the tender documents were the next logical step."

"It is essential that KiwiRail implements its local content recommendations rigorously when it reviews tenders."

"Ultimately political change is needed to ensure this does not happen again. We are hopeful for a good response in Parliament to Clare Curran's Kiwi Jobs Bill, to make it clear for crown entities like KiwiRail that buying local must always be the first option where possible," Wayne Butson said.

Ends.

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

Background notes re Electric Multiple Units: KiwiRail has \$500 million for new electric multiple units and locomotives for Auckland. Economics consultancy BERL estimated in May that local construction of these would add between 770 to 1270 additional jobs and \$232 to \$250 million to GDP. The BERL report is accessible here: <http://www.berl.co.nz/1166a1.page>