

# THE ACTIVIST



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## FAMILIES PACKAGE IMPLEMENTED 1 JULY

Key components of the Families Package Boosting Working for Families tax credits Budget 2017 made changes to Working for Families (WFF) tax credits. These changes are being repealed and replaced with higher payment rates and a higher income threshold before the payments start to reduce (abate), effective from 1 July 2018.

- The annual Family Tax Credit rate for the eldest child will increase to \$5,878 (\$575 higher than in Budget 2017 and an extra \$11.00 a week). The rates for children aged below 16 are also being increased by \$1056.00 or \$20.30 a week, to align with the rates for children aged 16 to 18.
- The abatement threshold for Working for Families payments will increase from \$36,350 to \$42,700, while the abatement rate will increase from 22.5% to 25%. In 2018/19, 26,000 more families will be eligible for Working for Families as a result of the changes.
- From 1 April 2018, the Minimum Family Tax Credit threshold amount will also increase from \$23,816 to \$26,156. This is to ensure families with children remain better off working full-time than receiving a main benefit after the introduction of the WEP. 4,000 families will benefit from these changes.

### Best Start baby bonus!

- The Government is introducing a Best Start tax credit of up to \$3,120 per year (or \$60 per week) per child to help families with costs in a child's early years. It will be available to all families in the first year of a child's life. For the second and third years, support will continue for low- and middle-income families. Effective 1 July. This is a \$20 per week improvement on the Parental Tax Credit, which Best Start will replace
- Winter energy Payment of \$450 a year for single people, and \$700 for couples or those with dependent children who are also on a main benefit, super or Veteran's Pension.
- The rates of Orphan's Benefit, Unsupported Child's Benefit and Foster Care Allowance will increase by \$20.31 a week from 1 July 2018.
- Reinstatement of the Independent Earner Tax Credit, for low- and middle income earners who do not benefit from Working for Families tax credits and which was axed by the previous Government. This benefits about 500,000 eligible people earning between \$24,000 and \$48,000, by up to \$520 a year or \$10.00 per week.
- Tweaks to accommodation supplement to reflect areas with high housing costs, boosting income for about 135,000 households by \$35.00 per week.

### Paid Parental Leave:

As part of its 100-Day Plan, the Government has already extended paid parental leave from the current 18 weeks to 22 weeks,



This is for the information and guidance of RMTU members only!

effective from 1 July 2018. A further extension to 26 weeks will come into effect on 1 July 2020.

### Family Examples:

These are illustrative examples of how the Families Package will impact different families, compared with what they get now. They are based on changes effective 1 July 2018 (and 1 April 2018 for housing support changes). The families with children under three are assumed to be eligible for Best Start. Note that the impact of the Families Package on families will depend on a range of factors, including housing costs.

**Example 1** A couple with a six-year-old and a 10-year-old, with a single income of \$90,000 This family will get \$49 more a week than they currently receive. They will be \$28 a week better off compared with Budget 2017 settings. If they live in Central Auckland, they could also get up to \$31 a week more Accommodation Supplement, depending on how much rent they pay.

**Example 2** A couple with a four-year-old and a six-month-old, with a single income of \$55,000 This family will get \$129 more a week than they currently receive. They will be \$88 a week better off compared with Budget 2017 settings. If they live in Hamilton, they could also get up to \$100 a week more Accommodation Supplement, depending on how much rent they pay.

**Example 3** A sole parent with a two-year-old, on an income of \$45,000 This family will receive \$107 more a week than they currently receive. They will be \$97 a week better off compared with Budget 2017 settings. If they live in Wellington, they could also get up to \$30 a week more Accommodation Supplement, depending on how much rent they pay.

**Example 4** A sole parent with a six-month-old, not in work, receiving Sole Parent Support During the winter months this family will get \$112 more a week than they currently receive, and \$80 more a week for the rest of the year. Over the entire year, the family is on average \$94 a week better

off compared with Budget 2017 settings. If they live in South Auckland, they could also get up to \$110 a week more Accommodation Supplement, depending on how much rent they pay.<sup>3</sup>

**Example 5** A retired couple receiving New Zealand Superannuation This couple gets \$32 more a week during winter months from the Winter Energy Payment.

## KIWI RAIL MECA RENEWAL 2018

The KiwiRail Holdings, KiwiRail Ltd and RMTU Multi Employer Collective Agreement expired 30 June 2018. Reps from the KR-RMTU Industrial Councils (Freight, Interislander, Mechanical and Networks) met with KiwiRail in Auckland on 20 June 2018 to begin the bargaining. All members will be aware that the parties to the Collective Agreement (CA) have been discussing a "dates and rates rollover" which would see all current terms and conditions remain unaltered but all members receive a wage increase.

Historically this has been a percentage increase paid out to all members covered by the CA. As you all will be aware a percentage increase approach is not an equitable mechanism as a

percentage increase applied to differing hourly wage rates sees differing rate increases. The RMTU and KiwiRail both expressed disappointment at the growing wage inequality gap and stated that they were keen to make a clear step change so as to not continue to create unequal outcomes from wage bargaining.

This led to discussion as to how a flat hourly rate increase could be agreed that would see a fair increase made across the board to all wage rates within the document. It is likely that all allowances within the CA will have a percentage increase applied. The parties ended the meeting agreeing to pursue this further and the union delegates authorised the Gen Sec to continue to work on the numbers with KiwiRail. KiwiRail stated that they would have to approach the KR Board to obtain a mandate to adopt such an approach.



A flat hourly rate increase applied to all staff stops the broadening creep of those with higher hourly rates getting greater real wage increases to those on lower rates of pay when say a 2% increase is applied to hourly rates. Our union has obtained good meaningful annual increases within rail for a number of years and we hear complaints from members at their perceived loss of "relativity" with other occupations. WE believe that flat percentage increases is a factor in this widen wages gap. If we do arrive at a proposed settlement with KiwiRail which does have a flat dollar quantum increase it will be a major step change and the first major collective agreement to do so as part of a wage settlement. We are proud to be at the forefront of such bargaining innovation.

Remember though that whatever comes out of this process it remains subject to your vote to either accept or reject what is on offer. We don't have a deal as yet but we are making real progress and hope to have an announcement soon.

## DELEGATE TRAINING IN AUCKLAND

We held a very successful delegate training for twenty two Northern Region Union Delegates on 13 and 14 June in Onehunga. This was a mixture of experienced delegates and those new to the role, the aim being to pass on knowledge and skills from the experienced to the less experienced.

The course covered the role of the delegate, disciplinary meetings, bullying, site mapping etc. Karen Fletcher delivered an excellent session on the use of health and safety as an organising tool. We also looked at campaigning and the role of

delegates and activists in the campaign process.

## FAIR PAY AGREEMENTS – A SUMMARY

Introduction - This document is a short summary of the NZCTU position on industry standard agreements, as endorsed by the National Affiliate Council in October 2016. It does not attempt to summarise what final shape any future Fair Pay Agreements (FPAs) will take, as this is being designed by both a workgroup of union, business and academic reps (in 2018) and then in legislation (in 2019). This document only summarises the NZCTU position.

Content of an Industry Standard Agreement - ISAs should be deliberately narrow in scope and modest in ambition. The intent is to set "generally accepted minimum terms" in a particular industry or occupation and these would form a 'floor' which employment agreements -

individual or collective - cannot contract below.

We propose an inclusive list of terms for an ISA that would at least cover:

- Types of work
- Wage rates (including progression, allowances and superannuation)
- Hours of work and overtime
- Leave provisions
- Availability notice and compensation
- Health and safety practices
- Notice and redundancy (including consultation)

Initiating for an Industry Standard



Agreement - Unions could begin by identifying an industry or occupation with an identifiable common characteristic. This would serve as the basis for any test deciding whether a given company or worker was within the coverage.

Unions could initiate an ISA by applying directly to the Employment Relations Authority. To validly initiate, those unions would have to show that they have 500 current members in the industry or occupation, or that creating an industry standard is "in the public interest". A list of public interest factors could include industries/occupations:

- with a high proportion of temporary and precarious work
- with poor compliance with minimum standards
- with high fragmentation and contracting out rates, or
- with poor health and safety records.

The model is predicated on the idea that unions and employers who have

members in the industry or occupation are able to take part in the negotiations if they wish. The initiating unions are required to use reasonable endeavours to list the employers in the industry where they have members. The Authority will also advertise for any unions or employers who believe they have members in the industry and rule on who should be included as parties to the negotiation.

Bargaining for an Industry Standard Agreement and Fixing of Terms - Once the Authority has determined the parties, good faith bargaining between those parties would begin, facilitated by the Authority (ISA bargaining would automatically meet the threshold for facilitation).

If bargaining leads to a successful outcome, a ratification process for all workers in that industry or occupation is undertaken by unions (though the reasonable cost is borne by the Government). Unions may elect any combination of meetings, postal or

electronic ballot but must provide a reasonable opportunity for all affected workers to vote. Employers must manage their own ratification process (also with reasonable cost borne by the Government).

If bargaining is unsuccessful, the Authority would fix the terms of the ISA. This would be done by a different Authority Member to the facilitation process, sitting in panel with a representative nominated by the CTU and one nominated by Business New Zealand. No ratification process is needed for terms and conditions that have been fixed.

Maintenance of Industry Standard Agreements - Rates in an ISA would go up by a set automatic adjustment each year. We will continue to discuss what the most appropriate measure for this adjustment would be.

The term of an ISA be subject to re-negotiation (or re-setting) after not less than three years and not more than five years. At the end of its term an ISA would be subject to either full renegotiation or truncated negotiation on key issues, but only if the parties agree. An existing ISA would remain in force until renegotiated.

We also propose a provision, common in European models, known as an "opening clause." This sets out a process where, in very limited circumstances, an employer may apply to the Government and relevant unions for a limited-time exemption to some of the terms of the ISA.

Note on Equal Pay - In the context of the recent caregivers equal pay settlement, it is our belief that ISAs could closely mirror, and would be intended to complement, the negotiation process for equal pay claims.

## Port Marlborough / RMTU CA Negotiations

Port Marlborough and the RMTU CA negotiating teams have meet over four days - 21/22 and 28/29 June. Negotiations have progressed well and settlement is close. One of the main themes in these negotiations is the need for the Joint Consultative Forum





(JCF) to meet regularly and clear issues rather than wait for wage rounds. Dates for JCF meetings will be set for the rest of 2018 and the agenda will be part of the terms of settlement. The next set dates are 26 & 27 July.

## FIRST TRAIN NAPIER – WAIROA

A report from Joe Gibson - Wednesday 6th June was a new spring day for KiwiRail. Celebrating the first train on the Napier/Wairoa line for 6 years. All the pomp and ceremony was fit for a king, with local Ratana brass band playing. Tributes were paid to the Honourable Shane Jones from the New Zealand First Party. Local Kahungunu for the blessing, Napier and Wairoa Regional Council, Port of Napier affiliates. KiwiRail CEO Peter Reidy, Ray Brown welcoming speech. Wayne Kempton reminisced of the last trip on Wairoa line back on December 4, 2012.

Shane Jones spoke about the provincial growth fund that central government has committed to investing 1 billion per annum over the next three years. Regional Rail being a major factor.

KiwiRail's Peter Reidy states within 12 months 2 to 3 trains will be running a week, setting up a new marshalling yard in Wairoa, taking an estimated 5500 trucks of the road annually.

All in all was a great morning nice fed/nibbles put on afterwards.

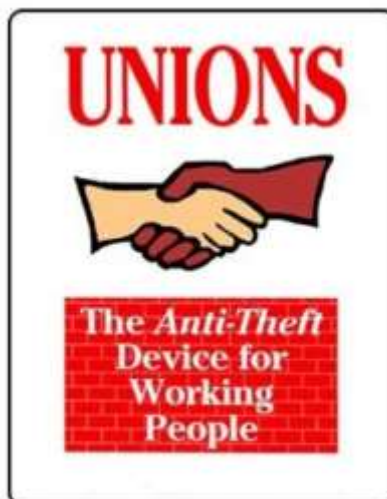
## CA RENEWED AT NORTH TUGZ

Bargaining was concluded at North Tugz on the 25th of June and the members have ratified the Agreement. The pay increase was paid at a monetary rate of 83 cents per hour. This monetary increase, instead of the usual percentage increase, was suggested by the members making any increase fairer for those on the lower pay rates, for whom a straight percentage increase would have meant a further widening of the pay gap. The term of the Agreement is one year.

## WAIRARAPA 9-CAR SET

Union members for Transdev Wellington and KiwiRail have raised red flags regarding the introduction of a 9-car set on the Wairarapa passenger line which goes through the category 1 Rimutaka tunnel.

Transdev Wellington is under pressure from Greater Wellington Regional Council to add another carriage to the passenger train due to the growing number of commuters. If the proposal goes ahead up to 668 passengers will be onboard at peak hour.



## MOBILE HARBOUR CRANE OPERATORS COLLECTIVE AGREEMENT.

The Terms of Settlement were ratified by the Union members last week with 100% in favour of the settlement. The Mobile Harbour Crane Operators Collective is separate to the "Main" Collective which is traditionally negotiated the year before, and there are a

lot of similarities between the two Collectives.

This year's deal is for two years at 2.2% for year 1 and 2.75% for year 2, from 1/7/18—30/6/20. The negotiating team have improved the provision for safety hardened glasses, introduced a 2iC allowance for when the Senior Crane Operator is unavailable and we have recognised the Senior Crane Operators who are involved in the Simulator training with an annual payment.

Many thanks to the RMTU bargaining team of Dave Marden, Tony Andrews and Phillip Taana

## THR WELLINGTON BARGAINING

The Union has initiated bargaining with Transdev Wellington and Hyundai Rotem Company for the renewal of the newly signed MECA which will expire on 2 July 218.

Claims meetings have been organized.

Once our claims for the wageround are finalized we shall advise THR of preferred dates for meeting and hopefully be able to settle a bargaining process agreement in a timely fashion.

## BARGAINING AT TOLL

We had two days of bargaining at Toll where delegates flew in from all over the country to participate. The offer on the table for members is for a two year agreement and a pay offer of 2.5% for year one and 2.75% for year two, both increases well above the current CPI. Other improvements include a clarification of the progression process and regular joint consultative committees to deal with issues outside of bargaining. The Settlement is currently going out to members for ratification.

## Upper North Island Train Optimisation Project – Staff Briefings

The Train Optimisation project team are undertaking briefing sessions with employees to:

- Outline the background to this project,
- Update on the current work activity, and
- Outline the four projects that we need input from our front line teams

Details of the briefing sessions are:

### Location

### Date

### Time

Kawerau Lunch Room Tuesday 3 July 11am

Mt Maunganui Lunch Room Tuesday 3 July 2pm

Te Rapa Lunch Room Wednesday 4 July 10am

Westfield Lunch Room Thursday 5 July 10am

### Presenters:

RMTU – Todd Valster

KiwiRail – Paul Ashton and Chris Whyman  
Local managers and local delegates involved in the project will also be at their local se

## DISAGREEMENT OVER WBV RESEARCH

The RMTU is extremely disappointed that KRG has excluded using the results of the recent LE survey on whole body vibration (WBV) for the purpose of supporting members' ACC claims for back/neck injury due to workplace WBV exposure.

KRG have stated that it's use is outside of the scope of the terms of reference of the working party. The Union will continue to fight for workers' entitlement to access ACC if they have been injured due to whole body vibration.

## PROTECTOR PAY RATES IN KIWIRAIL NETWORK SERVICES

The KiwiRail Network Services Industrial Council (KNIC) met on 1 May and one of the key discussion items was pay rates for protectors. Management have commissioned a market survey which confirmed what everyone suspected; that protector wages in KiwiRail rates are behind the going rate being paid by contractors.

The conversation is now about what the parties are going to do about it. KiwiRail have tabled a suggested adjustment to Level 2 rates but none for Level 1.

RMTU representatives find this puzzling as Level 1 protectors pay is even further behind the market rate than Level 2. We are arguing for an increase to both rates to reflect the considerable responsibility that protectors have for ensuring the safety of people and property on and around worksites.

The KNIC has a good record of achieving agreements on pay outside of collective bargaining and we are aware of several areas where there is pressure to look at wage rates, for example excavator operators and Machine Group gangers. Most recently we agreed an increase for Non Trade Structures Leading Hands so we are hopeful we can resolve the issue of protectors' and others' pay rates in a similar fashion.



## HPHE OPERATIONS PEOPLE DEVELOPMENT PROJECT - UPDATE NUMBER 2

Background:

The next two sessions of the Operations People Development project team occurred in Wellington on 16 and 17 May and 26 and 27 June. To recap this project focuses on how we recruit, develop (train) and retain our people to ensure we have the right people in the right place at the right time with the ultimate aim of providing operational excellence to our customers. This covers locomotive engineers, rail terminal, container terminal, logistics and customer service teams.

The project team members are:

Roles	KiwiRail	RMTU
Co-Sponsors	Todd Moyle	Wayne Butson
Co-Leads	Alastair Cumming	Todd Valster
Team Members	Derek Anderson Alan Wight Rob McMillan Telai Sefesi Craig Workman Russell Ness Paul Ashton Hilary Sinclair-Hyde Sharon McCarthy	Johno Johnson (Mt Maunganui) Jason Fabish (Whareroa) John Keenan (Palmerston North) Kelvin Cameron (Picton) Danny Leonard (Middleton) Phil Brewer (Greymouth) Craig Gerken (Invercargill)

### Issue Statement:

To recap the issue statement for this project is:

What are the technical and non-technical capabilities required for an effective and competent performer within the different roles in KiwiRail Operations and what are the processes and tools needed to deliver a standardised approach across the rest

of the employment life-cycle that will facilitate career pathways for KiwiRail staff?

This includes the recruitment and selection criteria and processes, role induction processes, initial training, On-Job-Training, including mentoring/minding processes, certification, revalidation/safety observation/on-going learning and developing an overall system for people development and career pathways within Operations.

### Focus and Outcomes from these Meetings:

#### Recruitment and Selection

There was significant discussion on the current recruitment and selection process including how we attract people to the rail industry - especially operational roles. We've identified a list of items for discussion with the Talent Acquisition team to improve the process. This also includes our front line managers being more active in selecting people for their teams.

We also agreed that a recruitment video should be produced - covering a 'day in the life' of a LE, CTO and RO. The plan is this will be made available on-line for future candidates to see as part of the job application process.

#### Induction

At our earlier meeting a draft process map for inducting new people into a Rail Operator role was developed. This is now being trialled at sites where we are currently hiring new RO's. Also project team members have shared this induction process map with their teams and the feedback was discussed at our last meeting and incorporated into the process map. We also started developing an outline of induction requirements when people move from one role to another or one location to another.

We will now start the work to have the induction material made available on Freight Wiki.

#### Training/Learning

We used our earlier meeting to review what is working well, what's not working well and opportunities to improve our current initial learning, on job learning and refresher/recertification processes. This



feedback has greatly assisted in the development of role profiles which cover the key tasks and responsibilities, behaviours and qualifications required for each position. The draft role profiles for LE's and RO's were reviewed at our last meeting and updated with feedback from the team members. Role profiles for RCO and CTO will be developed over the next month. We've also started to review the Minder role specification which is a key function in the learning pathway.

### Career Pathways

We discussed the idea of developing and introducing 1 on 1 conversations between

managers/team leaders and front line workers to help in identifying future training and development needs for people to progress within the business. There was positive support for this as long as the system is flexible and user friendly. We also commenced developing the career pathway framework and options for Operations roles.

### Next Steps:

Our next meeting is being held on 30 and 31 July. Should you have any questions on this or any views you'd like to make please contact any member of the project team.

