

# THE ACTIVIST



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## KAIMAI TUNNEL REVIEW

On 22 May the joint RMTU/Kiwirail team reviewing the health and safety procedures for the Kaimai tunnel met with I&E track workers in Mount Maunganui to discuss the hazards of working within the tunnel and procedures for keeping workers safe.

Hazards include risk of exposure to carbon monoxide from petrol generators, Nitrogen dioxide, dust, heat, noise. Very recently white asbestos and arsenic have been discovered.

Arsenic is believed to be originating from minerals in the tunnel associated with the geo-thermal activity in the region. The white asbestos found was in a small quantity at the eastern portal, the source is unknown. Further rigorous testing for asbestos has been carried out throughout the tunnel with no other fibers detected. Track work inside the tunnel has ceased until exposure to the hazards is fully assessed and managed in accordance with the HSE Act.

## MCDONALD'S CASE SHOWS FLAWS IN MEAL BREAKS LAW

Unite Union's court case against McDonalds for unpaid meal breaks highlights the dangers of the Government's plans to weaken rest and meal breaks, says Darien Fenton, Labour's spokesperson for Labour Issues.

"The case involves workers who have been required to work without pay through their breaks, despite the existing law that says workers are entitled to a half hour unpaid break in every shift of 4 - 6 hours.

"Changes to rest and meal breaks introduced by the new Minister of Labour Simon Bridges in his recently tabled Employment Relations Amendment Bill will cement that as an employer's right.

"This issue has sat around since 2009, when the Government panicked about air traffic controllers insisting on their right to a break and introduced an amendment to meals and rest breaks.

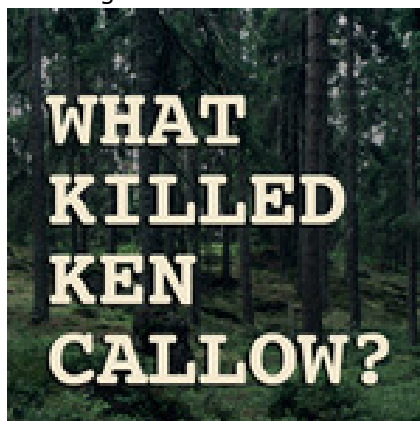
"Despite those issues being resolved by negotiation under the existing legislation and the bill languishing on the order paper for nearly three years, the Government has revived its flawed legislation which would enable employers to require workers to work during unpaid meal break time or remain in the workplace.

"The Government has ignored warnings that the removal of the timing and explicit requirement for all workers to have rest and meal breaks would expose low income and vulnerable workers to having no breaks at all.

"Here we see what happens even with major companies like McDonald's. The old saying 'give an inch, take a mile' confirms for me that the fundamental right to a break at

work needs to be strengthened, not weakened.

"With all the noise from Simon Bridges about workplace health and safety at the moment, it's disappointing that he doesn't appear to understand that the basic right to a break at work goes to the heart of keeping workers safe," says Darien Fenton.



## INFRASTRUCTURE AND ENGINEERING SAFETY AND PRODUCTIVITY WORKING PARTY

RMTU members and KiwiRail have been having discussions in this working party for several weeks now. Organiser John Kerr, and Delegates John Bannerman, Hopa Bell, Phil Kearns, and William Lannigan have been meeting with KiwiRail's Dave Gordon, Graeme Boomer and Kevin Morgan.

The focus has been on the Coal Route and the Golden Triangle. The thrust from management appears to be to raise productivity and increase safety by doing more work more when trains are not around. They haven't put a blueprint forward and they also don't appear to have spent much time talking about their ideas with their fellow managers in freight – much less the customers.

Coupled with the cynicism and low morale that has resulted from the redundancies last year, this means that the process is challenging to put it mildly. We have had report back meetings with members in Christchurch and Greymouth and have some coming up in Hamilton and Tauranga next month. The members have been clear that they are angry about what happened last year and the level of contracting out that appears to be happening – particularly on the Coast.

We are seeking a mandate to keep talking with management and are asking members for this at our meetings. To date members have supported this. Any change that results from our discussions will have to be ratified by members and we see this as our best way of protecting members' interests.

If you work in I & E make sure you keep yourself informed. Talk to your delegate, read The Activist and look out for Activist Alerts.

## UNDER INSURANCE

It is important to insure your property and contents at the appropriate values. If you

do not review your policies following the purchase of additional contents items you may end up in an under insured position. For example, say your contents are worth, at market value, \$100,000 and you have them under insured at \$50,000. If you suffer a burglary and \$25,000 of your contents is stolen, your loss is \$25,000. However if your policy is "subject to average" then the claim paid will be \$12,500. This is the caused by the under insurance. It is worth checking whether you have a "subject to average" policy and if you have adequate cover.

## NEW ZEALAND WORKERS ARE UNDER ATTACK

BY PETER CONWAY CTU  
SECRETARY

Workers in New Zealand are facing yet another attack on their wages and conditions of work. The government is proposing to weaken the Employment Relations Act.

This follows changes the government has already made cutting youth pay rates, reducing union access, limiting the scope of appeals against unfair dismissal, and removing rights for workers in their first 90 days of employment.

The latest changes are in a bill that will be debated in parliament in coming months and will be the subject of an active campaign by unions.

The main effect of the changes will be to reduce wages and conditions by weakening the rules on collective bargaining.

We know that collective bargaining is under attack in many countries. It is typical of New Zealand's centre-right National government to do this as they did in 1991 with the vicious Employment Contracts Act. This latest bill is moving us back very close to that regime.

The Employment Relations Act includes 'promoting collective bargaining' as one of its objects.

Yet this bill is designed to undermine collective bargaining. New Zealand has also ratified the main International Labour Organisation (ILO) Convention that

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***Low wages are already pushing thousands and thousands of Kiwis to leave for Australia with a record loss in the last year. These changes will make it even worse.***

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promotes collective bargaining. Unions will therefore develop a complaint to the ILO.

What does the legislation do?

### **Allow employers to end negotiation when they like**

Currently, the law requires that employers conclude a process of collective bargaining unless there is "a genuine reason, based on reasonable grounds, not to." This change will let employers say they have had enough of bargaining at any point and there will be nothing workers can do. Employers can 'surface' bargain. Also employers will be able threaten to give workers' jobs to someone else while they are bargaining to force them to agree. And right from the outset when the union has initiated bargaining for a collective employment agreement, the employer can openly state a preference for individual agreements and effectively refuse to bargain.

### **Remove protection for new workers**

Currently a new worker in a workplace with a collective employment agreement is automatically employed on the basis of that collective agreement for their first 30 days of employment. This also applies to non-union workers. It protects them from being offered inferior terms and conditions to everyone else.

This change will force a new worker to choose straight away, making them vulnerable to pressure from the employer to accept a worse offer. Over time this will undermine everybody's terms and conditions. In fact, the Cabinet paper recommending these changes, signed by the Minister of Labour, actually says they, "will enable employers to offer individual terms and conditions that are less than those in the collective agreement".

### **Undermine industry deals**

Employers will be able to opt out of multi-employer bargaining which will jeopardise the few industry-wide agreements that have been negotiated.

### **Make it more difficult to strike**

Employers will be able to use what is in effect a 'strike tax'. If workers take industrial action in the form of refusing to do some duties, the employer can either calculate a deduction or simply apply a 10 per cent pay cut. Employers however can partially lock out workers with no such penalty.

### **Reduce meal and refreshment breaks**

Meal and refreshment breaks can be of a time and duration as specified by the employer provided there is a 'reasonable' compensatory measure. This undermines entitlement to proper breaks and threatens health and safety.

### **And more**

There are many other changes that attack work rights. For instance, small businesses that win contracts will not have to comply with transfer protections for vulnerable workers, the small time-period advantage unions have over employers to initiate collective bargaining is removed, written notice is now required for any strike, and access to information in redundancy situations is reduced. New Zealand unions are campaigning against this bill. We know that the government is trying to portray these changes as 'technical'.

Our campaign will highlight the effect of this bill on pay, conditions, health and safety and work rights. But our campaign is not just to retain the current law.

The campaign will include stop work meetings, regional rallies, lobbying, building momentum around submissions, profiling workers' stories, and getting our message out to everyone about the impact of these changes and the need for a better law that can lift pay.

This campaign will 'connect the dots' between employment law changes and the widespread concern in New Zealand about low pay alongside rising inequality.

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***We know that the Employment Relations Act as it stands is too weak. We need a law that can underpin extension of collective bargaining into more widespread industry documents.***

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For more details visit:  
<http://union.org.nz/whycutourpay>

## GOVERNMENT CONTRACT WITH FLETCHERS SHOULD BE REVIEWED

Media coverage today of two very serious health and safety breaches on Fletcher Building Sites in Christchurch show that the contract between EQC and Fletchers should be reviewed to ensure stiff penalties for these type of breaches, says Helen Kelly, CTU President.

Two incidents of workers being exposed to Asbestos hazards are reported in today's Christchurch Press. Both are on sites directly funded by the Government including through the contract held with EQC.

"If the reports are correct, Fletchers seem unaware of even a requirement to report sites with asbestos present to the MBIE. The report that two workers were called to a disciplinary meeting after raising safety concerns with their employer is also a grave concern," Helen Kelly said.

"The Government is a major player in funding the rebuild of Christchurch, both through the EQC and directly. The Government must step up to the plate and demand decent standards from the principals that it employs, like Fletchers, to manage this work. It knows much of the work will be contracted out by these principals but must include in the contract that this is done safely and must impose penalties when this is not done. It is useless to have one of its departments expressing concerns about it while another is ultimately responsible for the breach."

"These asbestos accidents will not only result in serious ill health amongst the reconstruction workforce in years to come but will contaminate houses and effect the health of those living in them for years into the future."

"The public have lost confidence in the countries handling of workplace health and safety and rightly so. If there are two

stories in the media today about asbestos there are likely hundreds of others unreported. No one can be complacent about this and assume after today the matter will be sorted out. Government is paying for this work, and must ensure the highest standards are in place," said Helen Kelly.

## USA: TELL GE TO KEEP GOOD UNION JOBS IN ERIE

General Electric (GE) says it supports the revival of American manufacturing. But it's closed 42 of its US factories and service centers in the last five years, destroying over 6,000 good jobs, and is working hard to cut wages in its US factories by up to 50%.

GE plans to eliminate nearly a thousand good union jobs from its Erie, Pennsylvania locomotive plant. GE saw profits in its Erie-based Transportation Division double two years ago and top the \$1 billion dollar mark last year. But that isn't enough money for GE. It plans to move a

portion of those jobs to a non-union Southern plant where worker earn 40% less. Tell GE CEO Jeffery Immelt: Don't eliminate Erie's living wage jobs!

Use the link below;

[http://www.labourstartcampaigns.net/show\\_campaign.cgi?c=1828](http://www.labourstartcampaigns.net/show_campaign.cgi?c=1828)

## MORTGAGE RATES ACROSS THE TASMAN

The good news for Kiwis is that our mortgage rates are still marginally lower than those being offered across the Tasman. Our floating rates are in the high 5% like in Australia, but we can obtain attractive short fixed rates with 6 or 12 month terms. The big difference in our two markets is that there is a far more competition in the Australian market from a plethora of lenders including several non-banks, building societies and credit unions. On top of this, in Australia, there are always a variety of lenders that are offering a special to attract new borrowers. Our market could certainly benefit from more competition.



## BUDGET GETS IT WRONG ON ACC LEVIES

The ACC Futures Coalition has described as "farcical" that the government is relying on likely cuts to ACC levies as one of the main contributions to "building a productive and competitive economy" in its 2013 budget.

"The government artificially raised ACC levies a few years ago after Dr Smith said that if ACC was a commercial insurer it would be insolvent," said ACC Futures Coalition spokesperson Hazel Armstrong. "That was a beat up then and there was no need for the steep increases imposed at the time. This was shown by the sharp reductions in levies in 2011 and the recommendation from ACC that levies be reduced again in the most recent review of levy levels."

"It was the government that refused to accept that recommendation and continued to keep levies unnecessarily high in order to assist them achieve their goal of balancing their books by 2014," said Ms Armstrong. "They manufactured the situation back then and are now claiming that by cutting unnecessarily high levies that they are contributing to economic development. If that is true then their increases back in 2009 probably held economic development back."

"However, we do want to acknowledge that the cuts will be significant and the extent of them should demonstrate once and for all that ACC is an inherently cost effective model that private insurers cannot compete against without undermining the scheme," said Ms Armstrong. "I also understand that in the budget lock-up today Bill English said that the scheme would not be opened up for competition because the insurance industry had enough on its hands at the moment. Even if Christchurch and other events were not creating challenges for insurers they would not be able to compete effectively against the proposed ACC levies. We think that this is an opportunity for a conversation to begin between political parties so that the threat of privatising any of the scheme accounts is lifted forever."



## C3 – MOUNT – UPDATE

On Friday of last week, the Union's negotiating team reached a recommended settlement to renew the C3 Collective Agreement. Once the Terms of Settlement have been agreed, there will be a round of ratification meetings in June.

## LABOUR PARTY AUCKLAND NORTHLAND REGIONAL CONFERENCE

David Shearer gave a stirring address to the large crowd about policies the Labour party will introduce when elected to government in 2014. This included building 10000 new homes every year for the next 10 years, making housing more affordable and Reforming the monetary policy. Still very

high on their agenda of policies to introduce within the first 100 days is their procurement policy that was born out of the Hillside dispute. Hillside was proudly mentioned as an example of what should never be allowed to happen in New Zealand ever again; Proud Capable Workers thrown on the scrap heap.

## VEOLIA TRANSPORT ALMOST DOUBLES PROFIT

Veolia Transport Auckland, which operates Auckland's urban passenger trains, almost doubled its annual profit last year. Veolia, a unit of Paris-based Veolia Transdev, posted a profit of \$1.99 million in the year ended December 31, up from \$999,000 a year earlier, according to accounts filed with the Companies Office. The company's gross profit margin jumped to 10.7 percent from 7.7 percent a year earlier.

Veolia receives subsidies from the New Zealand Transport Agency and the Auckland council. In 2012, Veolia negotiated a contract extension with Auckland Transport from a management fee to a 'risk and reward' agreement which incentivises performance and efficient management of the Auckland rail operation.

Veolia's revenue rose 7.9 percent to \$92.5 million last year, while costs advanced 4.4 percent to \$82.6 million, according to the

company accounts. The New Zealand unit paid its Australian parent a \$785,000 management fee, down 1.9 percent from the year earlier.

## INVITATION TO FAMILY VIOLENCE WORKSHOP: "SAFE AT HOME, SAFE AT WORK"

You are invited to a workshop with Ludo McFerran - Project Manager for the Australian Government and Unions initiative "Safe at Home, Safe at Work". Ludo will deliver a 3 hour workshop designed for union educators, industrial staff, lead delegates and health and safety reps which will cover the following:

Domestic and family violence and work:  
What is the connection?

- ☞ The facts: Why are domestic and family violence industrial rights and entitlements needed?
- ☞ Key Provisions: What should be included in a domestic and family violence clause?
- ☞ How to negotiate for a domestic and family violence clause

Domestic and family violence and work:  
Implementation

- ☞ Informing members
- ☞ Training delegates
- ☞ Safety Planning

**Auckland** - Thursday 13th June, 9.00 to 1pm at Trades Hall - PSA Auckland office, 145 Great North Road, Grey Lynn

**Wellington** - Tuesday 11th June, PSA House Wellington, 11 Aurora Terrace Level 6, P1 and P2

Staying in employment is critical to reducing the effects of the violence. By supporting women to remain in paid employment, workplaces can assist women on their pathway out of violence and keep the whole workplace safer.

RSVP to Trish McKinnon at PSA  
trish.mckinnon@psa.org.nz ph 0508 367 772 by 6th June

## NMC ELECTIONS

All ballot papers are in the post to members who are employed by companies falling within the areas of contested elections for the Unions National Management Committee. If you think you should have a vote and your ballot paper has not arrived then please call Julia at National Office on 04 4992066 to check your details.

## OCR CHANGES ACROSS THE TASMAN

Over the past 12 months the overnight cash rate in Australia has dropped from around 4.0% to 2.75%. During this period our rate has been a constant 2.5%. The reason for this is that the Australian economy has been slowing down. This month's Australian budget, released just before ours, confirmed this. There are implications for us. Firstly we have seen the NZ currency strengthen against the Australian dollar. Australia, after China, is our largest export market and we are dependent on their tourists coming here. It is likely that our emigration to Australia may slow in the coming months and a few unemployed Kiwis may start coming back. Overall the economic health of Australia does affect our country.

## AUCKLAND NEW TRAINS

Weekly photos are received showing progress updates to Auckland's new EMU fleet. They do look magnificent. The challenge appears to be having

the network completed on time as resources are stretched thin and time is fast approaching when the first units will arrive.

RMTU Veolia Delegates are off to Spain to see firsthand the progress to the much anticipated EMU fleet. We look forward to many photos and a good report on their return. As many people look forward to the new trains running, it is leaving a number of our members a little uncertain of their future as Kiwirail will no longer be servicing and maintaining the Auckland passenger fleet.

Travel safe boys!

## POTL CA NEGOTIATIONS.



Kelvin Martin Branch Chair and the BOP Organiser Phil Spanswick will be reviewing the draft POTL Collective agreement this week, with a view to having the collective signed off as soon as possible.

## **A REMINDER - SCHOOL HOLIDAYS – STATE SCHOOLS**

- ☞ Terms 2 Holidays – 12 to 29 July 2013
- ☞ Term 3 Holidays – 27 Sept to 14 October 2013
- ☞ Term 4 Holidays – Commence no later than 20 December 2013.

## **PETROL TAX SHOULD BE INVESTED IN PUBLIC TRANSPORT**

The Green Party is urging the Government to invest revenue, raised by their increase in petrol tax, on public transport in light of evidence that car traffic volumes are decreasing.

“The petrol tax is being increased because people are using their cars less, creating a shortfall in revenue needed to fund the Government’s motorway spending spree,” said Green Party transport spokesperson, Julie Anne Genter.

“It is absurd to use the revenue from the petrol tax hike to build more motorways when New Zealanders are switching to public transport. Public transport is where investment is needed.

“The Government should use the increased revenue from petrol tax to give New Zealanders smart green transport choices, such as building the urgently needed Auckland city rail link.

“New Zealanders are voting with their feet and driving less, but the Government is refusing to invest in essential projects like the city rail link, that would reduce congestion and give people better options.

“The Government’s weak argument of saying petrol tax must be spent on motorways is like saying alcohol tax should be spent only on building new bars.

“Now is the opportunity to invest in public transport, walking and cycling. That is

actually better for road users because it's the best way to free up our road network for those who have to drive.

“Smart green transport is good for our economy, people and the environment. The National Government is saying no to sensible solutions and consigning us to an expensive, oil dependent future.”

## **VEOLIA CONSULTATION BREACHES**

On several occasions of late Veolia managers have failed to consult on issues that affect our members. Thank you to the members who have brought these to our attention. A meeting was held with Veolia outlining our expectations and their responsibilities. We did receive a commitment to work through the existing issues, with an understanding that such breaches should not occur in the future

## **WE MADE IT!**

Global Breakthrough as Retail Brands sign up to Bangladesh Factory Safety Deal - except for Australia and NZ

Over 30 major global retail brands have signed the Bangladesh Accord on Fire and Building Safety. But not Wal-Mart and not the Gap.

And also not any company in NZ or Australia.

Kmart, the biggest NZ retailer of apparel from Bangladesh has consciously decided NOT to sign the Accord despite a specific request from FIRST Union at the Collective Agreement negotiations over the last two days.

See: [http://www.nzherald.co.nz/nz/news/article.cfm?c\\_id=1&objectid=10883933](http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10883933) and

<http://nz.news.yahoo.com/a/-/top-stories/17174552/kmart-nz-can-do-better-for-bangladesh-workers/>

What a huge embarrassment for NZ and Australia that none of our companies will sign on to the Accord.

## **GOVT CANNOT CONTINUE TO IGNORE TRUCK SAFETY**

The tragic death of a truck driver and the



serious injury of another yesterday highlight the urgent need for government action say Labour MPs Darien Fenton and Iain Lees-Galloway.

"For years now, Labour has been calling for an inquiry into truck safety that goes beyond the usual road safety enforcement measures and looks into contracting and remuneration issues," says Darien Fenton, Labour's Health and Safety spokesperson.

"The recently released Taskforce on Health and Safety highlighted labour market deregulation in past decades as a significant contributor to New Zealand's workplace death and injury toll, and that's very evident in the road transport industry.

"Contracting arrangements for many owner-drivers mean they are effectively earning less than minimum wage. Drivers are forced to cut corners, including driving longer than legally allowed and scrimping on maintenance to try to make a living.

"What's more, trucking accidents resulting in death and injury are not considered workplace accidents and are covered up by being included in the road toll.

"The government has consistently dismissed the real problems in the industry, including ignoring a parliamentary petition and Labour proposals for a select committee inquiry," says Darien Fenton.

Labour's Transport spokesperson Iain Lees Galloway says a proper investigation into all the causes of truck accidents and the underlying issues affecting truck safety is long overdue.

"Accidents involving trucks are far more likely to result in death and serious injury than car accidents. And it is not only truck drivers that are at risk. Improving safety in the industry will help protect all road users and could significantly reduce the road toll.

"National must stop ignoring calls for a cross-party inquiry. 50 deaths in a year is not something to be swept under the carpet," says Iain Lees-Galloway.

## **MECHANICAL INDUSTRIAL COUNCIL**

MIC will next meet on June 13th in Wellington, please talk to your reps

regarding any concerns that require elevating to this forum.

## **NORTHERN SOUTH ISLAND LABOUR REGIONAL CONFERENCE**

It was held at the beautiful Rehua Marae in Christchurch on the 11 and 12 May.

John Kerr, Libi Carr, and Andy Kelly, Vice President of the Lyttelton Branch of the RMTU, attended the two day Conference.

The Conference focus was on the development of Labour Party Policy Platform and this resulted in robust and energetic discussion from all attendees.

Our thanks are extended to Andy who attended both days and made valuable contributions to the workshops particularly in the Economic Policy workshop.

Due to prior commitments John and Libi shared a spot and attended Saturday and Sunday respectively.

John was eloquent and passionate refuting the debate rousing suggestion from an MP in the Economic Policy workshop that there is no working class in New Zealand.

Libi attended the Social Development: Opportunity and Fairness for all workshop where participants vigorously debated what Labour Party Policy for a New Zealand that genuinely ensures opportunity and fairness for all would be.

'Phil Twyford, Labour Spokesperson for Housing attending the Conference on the Sunday and spoke with delegates about Labour's plans for building an extra 100,000 houses, improvements to social housing, housing affordability, and in particular discussed the on-going shortage of actual houses in Christchurch and the affordability of what housing is left that is fit to live in.'

After attending the two day Conference we can say that the Labour Party is in good shape and we look forward to supporting them in government in 2014.

## **EMPLOYMENT RELATIONS ACT - MORE CAMPAIGN RESOURCES**





RMTU members and delegates are asked to register for the campaign on:

<http://union.org.nz/whycutourpay>

See 12 Fact Sheets, video message from Helen Kelly, and sign-on page for the campaign. We HAVE to start now on making this initiative of the Nat's too dangerous for them to pursue.

## **OVERSIGHT OF WORK SAFETY NEEDS STEP CHANGE**

The Minister of Labour's comments about directors' responsibility for health and safety suggest the government is adopting the sort of hands-off approach criticised by the Pike River Royal Commission and the recent independent task force report on the issue, says Labour.

"In releasing draft guidelines on workplace health and safety for company directors, the Minister, Simon Bridges, said the guidelines would be voluntary and that holding directors to account for breaches was difficult. He talked down the prospect of a corporate manslaughter law," Labour's Justice spokesperson Andrew Little said.

Mr Little, the author of a private member's Bill on corporate manslaughter, said both the Pike River report and the recent advisory group report were clear that a step change was needed in health and safety regulation and oversight, and that responsibility had to be taken at the highest levels of a company.

"The advisory group report looked at corporate manslaughter laws in other countries and concluded that although other countries had varying levels of success with the law, an appropriate law should also be developed for New Zealand."

Labour's Health and Safety spokesperson, Darien Fenton, said Simon Bridges had yet to demonstrate he takes workplace health and safety seriously.

"So far, everything he has done has indicated a pretty weak attitude to beefing up our laws.

"My sense is that employers, especially the large number of responsible and conscientious ones, expect a huge

improvement in health and safety regulation.

"Mr Bridges, however, seems incapable of appreciating how urgent and important the task is," Darien Fenton said.

## **HOUSE PRICES ABOVE THEIR 2007 PEAK**

Most people are aware that over the past two years house prices have been strong in Auckland. Christchurch has seen an active market over the past 12 months as people come to terms with the earthquake and how the rebuild is emerging. Overall the average house price across the country stands at \$431,967, which is now 4% above the 2007 figure of \$415,352. This is significant, as 2007 marked the beginning of the global financial crisis. There are many countries, particularly in Europe, where house prices remain well below their 2007 levels. At least in this country we can say that in most areas (but not all) average house prices are above the 2007 levels.

## **SOUTHDOWN ASBESTOS**

A large section of the affected area is now getting tar sealed as part of the remedial works program. Two mounds are to be removed to a controlled location while a further 2 mounds are to have the vegetation killed off and then concreted sprayed. All future works around the site will be treated as contaminated ground to ensure everybody's safety.

## **"MUM AND DAD" INVESTORS MYTH BUSTED**

Green Party research, confirmed by Treasury, shows that half of the shares in Mighty River Power that National sold to retail investors went to just 13,000 people and that 10 percent of the retail shares went to just 400 wealthy people and organisations, Green Party Co-leader Dr Russel Norman said today.

The sale of Mighty River Power saw 113,000 retail investors, referred to as 'mum and dad' investors by the National Government, buy 26.9 percent of the company. Analysis by the Greens and Treasury shows that half of those shares were, in fact, purchased by fewer than 13,000 people who bought an

average of nearly \$35,000 worth of shares. That included a select group of fewer than 400 individuals, trusts, and organisations who bought 10 percent of the retail shares with an average investment of nearly quarter of a million dollars each. The remaining 101,000 retail investors bought only 13.4 percent of the company – less than the amount taken by overseas institutions.

“National’s myth that it sold Mighty River Power to ordinary New Zealanders has been well and truly busted. John Key’s ‘mums and dad investors’ line was a con,” said Dr Norman.

“The truth is that 98 percent of New Zealanders bought no shares at all. Half the retail shares went to just 0.3 percent of the population, and a tiny group of just 400 wealthy individuals and organisations got 10 percent of the retail shares.

“National’s asset sales have been a failure in its own terms. The hundreds of thousands of eager buyers that Mr Key promised didn’t show up, so he sold the shares to a small number of wealthy people instead. The shares are not widely held; they are overwhelmingly concentrated in the hands of a few.

“National is governing in the interests of the handful of wealthy people who bought large hunks of Mighty River Power, not the vast bulk of Kiwis who don’t want to pay again for what they already own.

“Far more New Zealanders have signed the petition for a referendum on asset sales than bought into Mighty River Power. National should cancel the remaining the asset sales,” said Dr Norman.

### **KIWI RAIL FREIGHT INDUSTRIAL COUNCIL**

This Council meets this week in Wellington and has a very full and action packed agenda. This will be the first Council meeting since John Maguren Passed away and Michael Vowles will be attending representing the Central Terminals sector until the elections are held later this year.

**LET’S BE SAFE OUT THERE & REMEMBER.....**

**“WE’RE STRONGER TOGETHER”!**

