



Rail & Maritime Transport Union

***“Organising For Unity and Power
- back to basics”***

13th Annual Conference

**30/31 October to
1 November 2007**

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ANNUAL CONFERENCE ATTENDEES

NZ Police College, Porirua

30/31 October to 1 November 2007

PRESIDENT
VICE-PRESIDENT
GENERAL SECRETARY

Jim Kelly
Ian Wilkie
Wayne Butson

NATIONAL MANAGEMENT COMMITTEE

SI PORTS REP
NI PORTS REP
NI RAIL REP
NI GENERAL REP
SI GENERAL REP

Ruth Blakeley
Aubrey Wilkinson
Wally Wallbutton
Phil Bosworth
Tim Spence

DELEGATES

AUCKLAND
WAIKATO
BAY OF PLENTY RAIL
BAY OF PLENTY PORT
HAWKES BAY RAIL
KING COUNTRY RAIL
PORT NAPIER
TARANAKI RAIL
TARANAKI PORT
PALMERSTON NORTH
HUTT WORKSHOPS
WELLINGTON STAGECOACH
WELLINGTON PORT
WELLINGTON RAIL
NELSON PORT
WESTCOAST RAIL
LYTTELTON PORT
CHRISTCHURCH RAIL
TIMARU RAIL
TIMARU PORT
OTAGO RAIL
PORT CHALMERS
HILLSIDE WORKSHOPS
SOUTHLAND RAIL

James Williams
Paul Jensen
Shane McNae
Kelven Martin
Dean Grant
Greg Newell
Dave Marden
Rob Stone
John Taipari
Robert Johnstone
Kasia Kurene
Bert Katene
Warren Stoddart
Mani Raumati
Peter Hoff
Paul Foskett
Brian Byas
Phil Kearns
Doug Blakie
Dusty Miller
Marty Duncan
Gaye Lester
Grant Donaldson
Philip Jones

OBSERVERS

AUCKLAND
HUTT WORKSHOPS
WAIKATO RAIL
WELLINGTON RAIL

MARLBOROUGH PORT
LYTTELTON

PORT CHALMERS
TIMARU
RUNANGA

Jonathan Kopu
Terry Duffy
Albert Barr
Gary Innes
Hayden Smith
Scott Golding
Bill Houston
Norman Eyre
Malcolm Arthur
Tony Devries
Sam Kahui
Joe Henderson

RMTU

Industrial Officer
Industrial Officer
Industrial Organiser
Industrial Organiser
Industrial Organiser
Administration Officer
Administration Assistant
Administration Assistant

Brian Cronin
Scott Wilson
Henry Fagaiava
Kelvin Rush
Todd Valster
Leonie Stieller
Julia Harrison
Conrad Jackson

VISITORS

Minister of Transport Safety
Secretary NZ Labour Party
Harbour Super Plan & NZLESAD Fund
Toll NZ Consolidated Ltd
ONTRACK
United Group Rail
Toll Owens
AIL Insurance
Maritime NZ "Operation Afloat"
Maritime NZ "Operation Afloat"
Hazel Armstrong Law
Hazel Armstrong Law
Retiring President NZ CTU
President NZ CTU
Deputy National Secretary MUA
RTBU
TWU
TWU

Hon Harry Duynhoven
Mike Smith
Roy Cowley
David Jackson
William Peat
Don Parker
Sean Bolt
Mario Soljan
Lynn Irving
Bruce Maroc
Ben Thompson
Hazel Armstrong
Ross Wilson
Helen Kelly
Jim Tannock
Ashley Waddle
Wayne Forno
Steve Novak

MINUTES OF 13TH NATIONAL CONFERENCE HELD AT THE ROYAL NZ POLICE COLLEGE, PORIRUA 30/31 October to 1 November 2007

DAY 1 - Tuesday 30 October 2007

1. Roll Call & Welcome

The National President Jim Kelly asked all Delegates to stand for a Minute's Silence to remember members who had passed on. He then welcomed Delegates and Observers to conference. He conveyed messages of good wishes sent by Eddie Dickson, Assistant Secretary, Inland Transport Section, ITF and ICLS General Secretary and President.

He then called the roll.

He also expressed best wishes to Administration Officer Leonie Stieller for a speedy recovery.

The General Secretary Wayne Butson welcomed guest Ashley Waddle from the Rail Tram & Bus Union of Australia. Three other international guests would arrive later.

2. Formal Resolutions

2.1 Appointment of Minute Secretary

It was resolved that Con Jackson be appointed Minute Secretary.

Moved/Seconded: Kelly/Butson

Carried

2.2 Minutes of 2006 Conference

It was resolved that the Minutes of the 2006 Conference held on the 17-19 October 2006 be approved as a true and correct record.

Moved/Seconded: Butson/Wilkie

Carried

2.3 Observers

It was resolved that Observers have speaking rights.

Moved/Seconded: Butson/Wallbutton

Carried

The President explained that Notices of Motion would be accepted until lunchtime tomorrow. He welcomed new attendees.

3. Opening Address

The General Secretary introduced the Minister of Transport Safety, Hon. Harry Duynhoven. The Minister said he was speaking on behalf of Deputy Prime Minister Michael Cullen who regretted being unable to attend but sent his best wishes for a successful conference.

After the Minister's address Delegates questioned him on:-

- Renationalisation of all rail structures
- Publicly funded private employers such as "Spotless" setting below-market conditions
- ONTRACK and other SOEs being allowed to run anti-union strategies
- Foreign vessels carrying coastal freight and conditions of foreign fishing crews.

Mani Raumati thanked the Minister on behalf of Delegates to the Conference and presented him with a gift of appreciation.

(See Appendix A Page 16 for the Minister's speech).

4. President's Address

The National President presented his report. He also moved the adoption of the 13th Report of the National Management Committee of the RMTU.

(See Appendix B Page 20 for the President's Report).

5. LUNCH (Served 12.00-12.30)

6. NZ Harbours Superannuation Trustees Report & Loco Engineers Sickness & Disability Fund Reports

Roy Cowley who is a Trustee of the NZ Harbours Superannuation Plan and the Chairman of the Loco Engineers Sickness & Disability Fund reported to Delegates on the performance and activities of both of the Funds.

After his reports he answered questions on:-

- Whether Veolia drivers could join the NZLESAD Fund?
- The level of returns to members of the NZ Harbours Superannuation Fund?
- Which NZ Harbours Superannuation Fund investment managers were the better performers?
- Should members be canvassed again on their preferred risk profile? and
- Should the death cover remain compulsory?

Aubrey Wilkinson thanked Roy for his reports on behalf of Delegates and presented him with a gift of appreciation.

7. Introductions

Delegates and Observers were invited to introduce themselves. Kasia Kurene thanked the Union for achieving her reinstatement after she was unfairly dismissed on 20th December 2006.

8. Financial Report & Balance Sheet

The General Secretary presented and spoke to the Annual Financial Statements and answered delegates' questions.

(See Appendix C Page 25 for the Financial Statements).

9. Labour Party Membership & what it means for RMTU

The General Secretary of the NZ Labour Party, Mike Smith gave a Power Point presentation on "Turnout Strategy 2008" and addressed delegates on the benefits of affiliation to the Labour Party. He explained how union representatives could participate in the Electorate Committees.

He answered questions on:

- Involvement in the candidate selection process?
- The influence of the party on policy-making?
- Third party support?
- Affiliates Councils?
- The loss of Maori seats?
- Disaffection with Labour?
- Media coverage? and
- The effect of a Labour victory in Australia?

Tim Spence thanked Mike Smith on behalf of Delegates and presented him with a gift of appreciation.

(See Appendix D Page 36 for Mike Smith's Power Point presentation).

10. AFTERNOON TEA**11. Financial Report & Balance Sheet (continued)**

It was resolved that the Financial Statement for the Year Ended 30 June 2007 be approved.

Moved/Seconded: Butson/Blakeley

Carried

12. The 2007 – 2008 Union Budget

The General Secretary presented the RMTU budget for 2007/08 for approval by Conference.

It was resolved that the 2007/2008 Budget be adopted.

Moved/Seconded: Butson/Bosworth

Carried

(See Appendix E Page 39 for the 2007/2008 Budget).

13. Union Fee Increase – Discussion Paper

The General Secretary presented the Discussion Paper regarding an increase in union fees.

It was resolved that the NMC recommendation to increase the fees, as authorised at National Conference last year (i.e. MECA increase of 6% at 1st July 2007) be adopted.

Moved/Seconded: Kelly/Donaldson

Carried

In answer to a question, the President said the NMC would evaluate the effect of the increase on lower paid members at its next meeting in December.

(See Appendix F Page 41 for Discussion Paper).

14. Conference Theme “Organising for Unity & Power – Back to Basics”

The General Secretary addressed delegates on this year’s conference theme.

15. Setting the Scene for Election 2008

Industrial Organiser Brian Cronin presented a Power Point presentation on “The Past Always Walks Before Us”.

(See Appendix G Page 43 for Brian Cronin’s Power Point presentation).

15.1 Group Work

Delegates divided into groups and reported back on the question “So Where To From Here?”

(See Appendix H Page 44 for group exercise reports).

16. Conference Adjourns for Day 1

DAY 2 - Wednesday 31 October 2007

17. Conference Photograph

Delegates convened to have their photograph taken after which Day 2 of Conference commenced with a Roll Call.

18. International Session

The General Secretary introduced:

- Wayne Forno (TWU)
- Steve Novak (TWU)
- Ashley Waddell (RTBU)
- Jim Tannock (MUA)

The international guests updated delegates on problems for their respective unions as a result of the “Work Choices” laws, and the union campaign in Australia in support of a change of government.

Steve Novak showed an induction presentation used by the TWU to recruit new members into the Union.

(See Appendix I Page 47 for the TWU Induction Power Point presentation).

18.1 NMC Report

The General Secretary introduced the international section of the NMC annual report, outlining RMTU involvement in international activities and conferences.

18.2 Panel Discussion

The Australian guests formed a panel to answer questions from conference delegates.

19. MORNING TEA

20. Toll NZ CEO David Jackson

David Jackson reflected on the four years Toll had been in the rail business in New Zealand and talked about future opportunities and plans.

After his presentation he answered questions on:-

- Toll’s relationship with UGL
- The company focus on Drug & Alcohol Testing
- Condition of the Dunedin CT site yard
- Hours of work
- Affect on staff numbers of Christchurch site consolidation

Jim Kelly thanked David Jackson on behalf of Delegates and presented him with a gift of appreciation.

(See Appendix J Page 49 for David Jackson's Power Point presentation).

21. ONTRACK CEO William Peet

The newly appointed CEO of ONTRACK, William Peet gave a presentation on the topic "Setting the Transport Agenda". He talked about new opportunities to expand rail and future plans and answered delegates' questions, including:-

- The ageing workforce
- Payments relating to a recent fatality
- Pay rates
- Exposed rails in shunting yards
- ONTRACK's relationship with RMTU

Phil Kearns thanked William Peet on behalf of Delegates and presented him with a gift of appreciation.

(See Appendix K Page 51 for William Peet's Power Point presentation).

22. LUNCH (SERVED 12.00-12.30)

23. United Group Rail CEO Don Parker

Don Parker made a presentation on the implementation of the "5S" programme at Hutt Shops and answered questions about the programme.

Doug Blakie thanked Don Parker on behalf of Delegates and presented him with a gift of appreciation.

(See Appendix L Page 56 for Don Parker's Power Point presentation).

24. C3 (formerly Toll Owens) CEO Sean Bolt

Sean Bolt explained the new focus of Toll Owens as C3 (Complete Cargo Care) and talked about his hopes for the Partnership Programme at the Port of Tauranga.

Hayden Smith thanked Sean Bolt on behalf of Delegates and presented him with a gift of appreciation.

(See Appendix M Page 58 for Sean Bolt's Power Point presentation).

25. Union Communication Session

Industrial Organiser Todd Valster made a presentation on the subject "How Does a Successful Union Communicate". He talked about the importance of well-run meetings and introduced members to the proposed new website.

(See Appendix N Page 61 for the Power Point presentation).

26. AFTERNOON TEA

27. Workshops

Delegates divided into groups for a role play exercise on “Organise and Run a Meeting”. They then reported back on what they had learned.

The General Secretary then told conference delegates the outcome of Helen Clark’s Cabinet reshuffle, just announced.

28. NMC Annual Report

Conference continued discussion of the NMC report.

29. Mario Soljan of AIL Insurance.

Mario Soljan explained the policies available to members and answered delegates’ questions.

30. Ashley Waddle leaves

Ashley Waddle thanked delegates for their hospitality and urged the Union to become politically active to avoid the pitfalls of “Work Choices”.

31. Conference Adjourns for Day 2

DAY 3 – Thursday 1 November 2007

32. International Aid

After roll call, the General Secretary introduced three DVDs on:

- The Tas Bull Memorial International Aid Project in South Africa
- “Highway of Hope” ITF film on the spread of HIV/Aids via African transport workers
- The APHEDA Union Aid Programme

33. Conference Remit Papers

33.1 Timaru Rail Branch

That the RMTU affiliation to any political party would only be by National Referendum.

Moved/Seconded: Blakie/Jensen

Lost

34. NMC Annual Report debate continues

35. MORNING TEA

36. NMC Annual Report

After debate on the NMC annual report had concluded, the report was adopted by conference.

Moved/Seconded: Kelly/Williams

Carried

(See Appendix O Page 79 for the NMC Annual Report).

37. Notices of Motion

37.1 That Conference calls upon the Labour led Government to take back total control of the rail industry (including: workshops, buildings, land, locos, wagons, Tranz Link and operating staff) and operate it in the best interests of NZ with a focus on restoring trade training.

Moved/Seconded: Bosworth/Kurene

Carried

37.2 That Conference 2007 endorses the formal establishment of an RMTU Veterans' Group within the rules and constitution of the Union.

Moved/Seconded: Bosworth/Kurene

Carried

38. Your Rights to Refuse Unsafe Work

Solicitor Ben Thompson of Hazel Armstrong Law gave a Power Point presentation, explaining the rights of members to refuse unsafe work and answered delegates' questions.

(See Appendix P Page 82 for Ben Thompson's Power Point presentation).

39. LUNCH**40. Maritime NZ “Operations Afloat”.**

Bruce Maroc, Deputy Director of Maritime Services and Lynn Irving, Health and Safety Co-ordinator for Maritime NZ, both addressed Conference on Maritime NZ's role in promoting safety on the waterfront and answered delegates' questions.

Dave Marden thanked the Maritime NZ guests on behalf of Delegates and presented them with gifts of appreciation.

(See Appendices Q Page 86 & R Page 89 for the Power Point presentations by Bruce Maroc and Lynn Irving).

41. A Review of the RMTU Health & Safety Reps

Hazel Armstrong presented an analysis of the Union's Health & Safety representatives, training records and distribution. She was supported by Monica O'Connell and Rosalie Loughman of the CTU. After Hazel's presentation the panel answered delegates' questions.

42. ACC's Partnership Programme and the Perils of Privatisation

Hazel Armstrong outlined the history and original concept of ACC and the dangers if a National Government were to privatise the system.

Wally Wallbutton thanked Ben, Hazel, Monica and Rosalie and presented them with gifts of appreciation.

(See Appendix S Page 91 for Hazel Armstrong's Power Point presentation).

43. Notices of Motion (continued)

43.1 That John Murfitt be thanked for his distinguished service as a Trustee of the NZ Harbours Superannuation Plan and that Hal Upton be appointed to replace him as Trustee.

Moved/Seconded: Byas/Blakeley

Carried

43.2 That John Ian Wilkie be awarded life membership of the Union in recognition of his outstanding work on behalf of railway workers over many years.

Moved/Seconded: Kearns/Bosworth

Carried

43.3 That the 13th Annual Delegates' Conference condemn the ongoing persecution and harassment of the JRU7 by the Japanese Government and the Railway Company and pledges support and solidarity with the JRU7.

Moved/Seconded: Williams/Grant

Carried

43.4 That Conference rejects the concept of random drug and alcohol testing and directs the officials and staff to oppose any attempted introduction by employees.

Moved/Seconded: Blakie/Foskett

Carried

- 43.5** That Conference instructs the NMC to achieve RMTU member status within TUF (Transport Union Federation).

Moved/Seconded: Wilkie/Bosworth

Carried

- 43.6** That the Union Representatives on the NZR Railway Staff Welfare Trust Board be Brian Cronin, Wayne Butson, Sam Kahui and Ian Jenkins.

Moved/Seconded: Kelly/Butson

Carried

- 43.7** That the Union Trustees on the LE SAD Fund be Peter Manson, Wally Wallbutton and Wayne Butson.

Moved/Seconded: Stone/Jensen

Carried

- 43.8** That the Union Trustees on the NZ Harbours Superannuation Fund be Andrew McFarlane, Peter Clemens and Roy Cowley.

Moved/Seconded: Marden/Stoddart

Carried

- 43.9** That Dusty Miller be made a life member of the Union.

Moved/Seconded: Devries/Marden

Carried

- 43.10** That this 13th Annual Delegates' Conference of the RMTU pledges support and solidarity with our SRUT brothers and sisters during their current strike.

Moved/Seconded: Devries/Marden

Carried

44. Closing Addresses, Helen Kelly and Ross Wilson

The President of the CTU, Helen Kelly addressed the Conference on the CTU's political strategy and thanked the RMTU for its participation in the CTU.

The retiring CTU President Ross Wilson said he cherished his days with the RMTU, a solid and well-organised Union. Working in the union movement was an opportunity to "live your beliefs", he said.

Sam Kahui thanked Helen Kelly and Ross Wilson and presented them with gifts of appreciation.

45. Conference Ends

The President thanked delegates for their participation and declared the Conference closed.

APPENDIX A

Hon Harry Duynhoven

Minister for Transport Safety



Address to the Rail and Maritime Transport Union (RMTU) Annual Conference 2007

(Address given by Hon Harry Duynhoven, on behalf of Hon Dr Michael Cullen)

30 October 2007

Speech Notes

Good morning and thank you for that introduction.

I am very pleased to have the opportunity to address you today on behalf of my colleague Deputy Prime Minister Dr Michael Cullen. Dr Cullen regrets that he cannot be here today himself as he is with the Prime Minister in Tauranga, but has asked me to send on his best wishes for your conference.

I will be joining Dr Cullen and the rest of my caucus colleagues this weekend on the North Shore for the Labour Party Conference. This is an important conference for Labour. We are heading into election year, we are determined to lead Labour into a fourth term in government, and we know we have a tough fight ahead of us.

In my comments today, I want to run you through what we see as some of the dividing lines between National and Labour in the run up to the next election. I also want to talk about what I feel we have achieved in government, but also explain that we have a lot of work left to do.

I will also touch briefly on some of the specific issues that are of concern in the transport sector. Transport has been a very busy space under this government, and the Rail and Maritime Transport Union has been an important partner in our work.

I will leave plenty of time for your questions following my speech as I am interested to get feedback on how you think the government is doing. I will not guarantee that I will be able to answer all your questions or that we will agree on everything, but as members of an important affiliated union, it is important that we continue to hear from you.

Labour in government

To really understand how far we have come in the last eight years, we need to stop and look back at where we were at the end of the 1990s.

After a decade with a National Party government that not only failed to invest properly in services and infrastructure, but that actually cut away at the entitlements families relied on, New Zealand in 1999 was not in good shape:

- Health services were crumbling as a result of under-investment, with constant bureaucratic restructuring serving as the only cover for the fact that New Zealanders were not getting the care they needed;
- Our schools were falling into disrepair and our teachers were not getting the pay or support they needed to properly do their jobs;
- While the rest of the developed world was investing in modern road, rail, and public transport networks, New Zealand was virtually standing still;
- Child poverty rates peaked at 1 in 3 and unemployment stood at close to 8 per cent;
- Superannuation rates were slashed;
- 13,000 state houses were sold off and overcrowding was leading to significant health problems in many of our communities.

The list goes on and on, but the general picture is clear: the needs of working families and our communities were not taken seriously by the National government.

Their constant focus on right-wing economic fundamentalism and their tireless pursuit of private sector interests left a legacy of poverty, inequality, and economic decline.

Labour entered office determined to turn this around. But we knew it would not be an easy task, and we knew it would not be an inexpensive task. Major investments were going to be required right across the board, from social services, transport and general infrastructure, and superannuation.

We also knew that in turning around the legacy we inherited we were going to have to apply a coherent set of values and priorities to everything we did. We knew we had to focus on restoring fairness to our economy, we knew we were going to have to work to reduce inequalities that had widened for over a decade, and we knew that we were going to have to fight to restore a strong commitment to public ownership of our services and our assets.

I am proud that after eight years in government, Labour can say that we have achieved a great deal of what we set out to do in 1999. In fact in some areas, we may have achieved more:

- We have seen the longest sustained period of economic growth in more than a generation;
- Around 130,000 children have been lifted out of poverty;
- Superannuation rates have been significantly boosted and we have invested heavily in the Superannuation Fund to make sure we can continue to provide for our seniors in the future;
- We have stopped the mass sell-off of state houses;
- We have built new hospitals from Kaitaia to Invercargill, and hired thousands of extra doctors and nurses to work in them;
- Our unemployment rate has halved and is the envy of the developed world;
- More than a third of a million new jobs have been created;
- Our school students are achieving at higher levels and more of them are moving on from school and into apprenticeships or university;
- We have bought back our rail network, protected our state assets, and invested heavily in transport and energy infrastructure;
- We have delivered billions of dollars in tax relief to working families and we have made it easier for all New Zealanders to save for their retirement with KiwiSaver.

We have a very strong story to tell and you can be assured we are going to tell it over and over again.

One of the areas we are most proud of is what we have achieved by working with unions to deliver for workers in this country.

If there is one thing the National-led government of the 1990s could not get enough of it was undermining the rights of workers and the ability of unions to fight for their interests.

The Employment Contracts Act sought to destroy collective bargaining all together.

Workplace safety was severely undermined, and workers in ports, on our roads, and on our rail were compromised.

For a party born out of the labour movement, we knew a key test of our credibility in government was going to be delivering for workers.

Every New Zealand worker is now entitled to a minimum of four weeks annual leave.

We have increased the minimum wage 8 times in 8 years.

We have extended paid parental leave to 14 weeks and opened it up to self employed parents.

Workers now have the right to time and a half pay for working on public holidays, and a paid day off in lieu – making up some of the substantial ground lost in the years when the Employment Contracts Act held sway.

We passed the Health and Safety in Employment Act 2003 which protects workers from unsafe work places.

We made sure that crew on ships, aircraft, and rails are covered by health and safety legislation, as well as mobile workers and working volunteers.

On becoming government, we restored ACC as the single provider of accident compensation. Our opponents' plans were, and still are, to privatise ACC and destroy New Zealand's social insurance system which has long been regarded as world leading.

We established the Modern Apprenticeships Scheme aimed at young people. We have achieved all of this by working closely with unions and with working families, and achieved all of it in the face of a National Party that has opposed us and attacked us at every step of the way.

Dividing lines

I will not insult any of you by trying to claim that everything is rosy, that we have done everything that we need to do for families and for workers. And I am not going to lie to you by saying that there haven't been mistakes and hiccups along the way, because of course there have been.

But I will say to you that the fact that we have not finished our work and not done everything we need to do must become a central part of our effort to make sure we get returned to government for a fourth term.

Because what we are finally starting to see from the National Party is that New Zealanders who care about the rights of workers, the strength of families and communities, and the state of our infrastructure are going to be presented with a stark choice at the next election.

We can either keep going forward, or we can start turning the clock back.

Let's look back at what we have seen from the National Party over just the last few weeks. They have pledged to:

- sell down the government's shareholding in state owned enterprises;
- remove restrictions on what people can be charged for doctors visits;
- return to a focus on privatisation in the health sector;
- get private businesses to own and operate schools on behalf of the state;
- increase funding for privately run schools;
- abolish the cap on tertiary student fees (subsequently denied).

And trust me, there will be more to come, whether it is the repeal of the Employment Relations Act or the privatisation of ACC.

Transport

One area where we cannot afford to move to backwards is in investment and planning for our transport infrastructure.

Early on in our term of office, the Labour-led government identified the state of our country's transport infrastructure as a constraint on economic and social development.

A decade of underinvestment in the 1990s meant the needs of road and shipping networks were ignored, while our rail system was run down.

Turning that round, with smart strategies and much greater investment has been a top priority for us.

The Transport Strategy we launched in 2002 set objectives which linked outcomes in the transport sector to broader, sustainable economic and social outcomes for New Zealand.

Those objectives were to assist economic development, to assist safety and personal security, to improve access and mobility, to protect and promote public health, and to ensure environmental sustainability.

Now that the strategy is five years old, the Minister of Transport is leading work to refresh it, so that we can be sure that it addresses emerging issues and trends, and has a greater focus on implementation.

When we took office in 1999, transport investment was around \$1 billion per annum. The latest budget sees annual investment nearing \$3 billion.

In public transport projects, the trend is even more dramatic. Total government expenditure on public transport has increased from \$45 million in 1999/00 to \$506 million allocated in 2007/08. That is an over 10-fold increase.

As Minister for Transport Safety I have also been very proud to serve in a government that takes safety within our transport system seriously, and I know it is an issue that workers in the sector know we need to keep focusing on.

The message I hope you take away from all of this – our investment in transport and Labour's overall social and economic agenda – is that a great deal has been achieved over the last eight years. But I also want to make two points clear:

1. First, we have more work to do. There are always new challenges to address and new opportunities to address those challenges that have seemed too difficult in the past; and
2. Second, we need to have a serious discussion over the next year about which path we take in addressing these challenges. We will, I believe, have a clear choice between a path of continued investment, continued strategic planning, and continued recognition of the contribution of workers and communities, and a path of privatisation, slash and burn budgeting, and an undermining of worker's rights and support for families.

That is the discussion Labour hopes to lead over the next year and I hope it is a discussion I can start with all of you with your questions today. Thank you.

APPENDIX B***PRESIDENT'S REPORT***
13th Rail & Maritime Annual Conference

In presenting this report I would like to welcome delegates to our 13th National Conference with a special welcome to those delegates who are attending their first conference. I would also like to take this opportunity in extending a warm welcome to those members who have taken the time to attend as observers.

During the next three days you will have a very important part to play in deciding future RMTU policy. I hope everyone will fully participate in the discussions and put before Conference the views and experiences of the sector or region that you represent.

For the benefit of new delegates, Conference is the place where new policy is made, or existing policy is changed by way of remits from Branches to Conference.

Branches are asked to submit remits for consideration by Conference and at the closing date for receipt of Branch remits. All remits are then sent to each Branch for them to discuss and consider the remits and forward their views on to Head Office or to their Conference delegate. This way all members through their Branches are given the opportunity of input into policy-making decisions of the Union.

The function of Conference gives delegates the opportunity to hear the points of view of others in respect of the remits before they make up their minds about how they will vote.

Conference is also the opportunity to review what has happened in the last 12 months, to critically assess how we as an organization have handled that time and to plan and look forward to the challenges of the next year.

I open by once again acknowledging the efforts of all our voluntary and committed RMTU delegates, officers and activist members who make the RMTU the proud and effective organization it has become. We say it every year, but it needs to be said, we are a strong and active Union only when our members are strong and active. Thanks to you all.

I would also like to extend a special thanks to Ian Wilkie on behalf of N M C to acknowledge the work and commitment he has contributed to this organization, and previous organizations in the Rail Industry and to the Trade Union movement at large. For the benefit of those who don't know, Ian is retiring at the end of this year after 38 years service with the Rail industry and most if not all those years active in the Trade Union movement.

At this point I would also like to recognize and acknowledge the efforts of our paid staff. Industrial Officers – Brian Cronin who is now residing in Christchurch, and is based along with Con Jackson in our Littleton office, Todd Valster and our newest star on the industrial scene Henry Fagaiava who are based in Wellington, Scott Wilson, and Kelvin Rush based in Auckland, our General secretary and New Zealand ITF Convener Wayne Butson, Wayne's Involvement both Nationally and Internationally has had a huge impact on the RMTU's image and reputation for being a well organized Knowledgeable and respected Union, thanks to Wayne and our Industrial staff for your continued support and commitment on behalf of our RMTU members.

Last, but certainly by no means least, the two head office toilers who somehow manage to make sense out of all the chaos around them, Leonie Stieller and Julia Harrison. You are

both such a critical part of the success of this Union and while you tend to work behind the scenes be assured your efforts do not go unnoticed or unappreciated.

Again it has been a very busy year for all staff and they have all worked very hard and delivered for members in ports and rail. They perform way over and above simply doing the job. They are not nine to five workers; they are personally committed and always go the extra mile in defending, supporting and advancing the cause of members in both port and rail. This year has been no different and I record here on behalf of the National Management committee and all members, my personal thanks and appreciation of your effort and commitment over the last 12 months. You are all a credit to our Union.

My report to conference this year is to concentrate on the 2008 election, and I guess more to the point the last 7 years of a centre left Labour lead coalition Government, and also to remind people who seem to have forgotten or were too young to remember the 1990's under the right wing fascist National Government that attacked this Country's workers pay and conditions and at the same time tried to destroy the Union movement.

Before the employment Contracts Act (ECA) New Zealand workers were covered by occupational and industry awards negotiated by Unions. Personal grievance rights for dismissal and unfair treatment were accessed through Union membership.

The ECA threw out the award system and replaced it with a system where the relationship between individual worker and the employer was central.

In the ECA the word "Union" was erased, the ECA was all about the individual worker negotiating with their employer. The worker could choose to be represented by a "bargaining agent". A bargaining agent could be anyone at all---from a lawyer to your next door neighbour or even your granny!

Almost overnight the ECA swept away awards ensuring minimum pay and conditions for thousands of workers. It created an environment supporting individual contracts over collective bargaining. It outlawed strikes for multi employer agreements. It supported "take it or leave it" bargaining and undermined the role of Unions.

The impact of the ECA was immediate and devastating, in 1990 the minimum pay and conditions of over 700,000 New Zealand workers was determined by an award or collective agreement, by the year 2000 that number had nearly halved to around 400,000.

Almost immediately workplaces were littered with fixed term contracts, contracting out and other "flexible" work arrangements. In this environment illegal "sweatshops" sprung up and prospered. In case after case, workers were done over and exploited. A letter from a supermarket checkout supervisor to the department of Labour summed up the impact of the ECA on workplaces:

"As soon as the employment contracts act came in everything changed in this place and we were told---by the employer he would do it his way, first he got rid of the Union, and some were threatened that if they belonged to the Union they would be down the road, the contracts were never negotiated, we were called in one by one and given this printed document with a place to put your signature, some of the young ones were not allowed to take their contracts home for their parents to read. The first year all of us who already worked there got penal rates, as people left or were sacked, the new ones went on to a flat rate with no set amount---they were all getting different wages, within a year there was a 90% turnover of staff."

A downward spiral in quality of jobs and wages as the take it or leave it workplace culture spread, the quality of jobs fell. From 1991 to 1999 growth in full time employment was 15.5% compared to 36% for part time jobs, including part time jobs of as little as one hour a week.

The numbers of “working poor” dramatically increased, as countless jobs were casualised, reduced to very part time hours and contracted out. From 1991 to 1996 median incomes for wage and salary earners increased by less than 10%.

When the total loss of conditions and allowances was considered, the real impact was even greater. A study of supermarket pay rates showed that while real wage rates in that sector fell by 11% between 1987 and 1997 for those working Monday to Friday, those whose work included weekends had a 33% real pay cut.

Young workers suffered even greater cuts as new workers started under the ECA and “grand parenting” of conditions created intergenerational differences, the intention of course being that those reduced conditions would eventually flow on to all workers, in most workplaces this is what happened. Both the port and rail areas of our Union suffered as a result of this grand parenting.

In 1999 a Labour / Alliance government was elected and the ECA was repealed and replaced with the Employment Relations Act. In contrast the last seven years couldn’t have been more different.

A Billion dollars on new Hospitals and cheaper doctor’s visits and prescriptions,
income related rentals for state housing,

20 hours free early childhood education and thousands of additional teachers in our schools.

Interest free student loans and modern apprenticeships.

Working for families,

KiwiSaver, 4 weeks annual leave,

14 weeks paid parental leave,

time and a half for statutory holiday work,

60% increase in the minimum wage and the removal of youth rates.

Our social insurance scheme ACC brought back into public control with our own General Secretary Wayne Butson on the Board and recently retired President of the CTU the newly appointed Board chairman Ross Wilson,

Worker participation in health and safety,

Increased wages for workers like nurses, teachers and aged care workers,

The legitimate role of Unions recognized through our employment relations act,

the right to join a Union and bargain collectively, the right to Union education and meetings, the right to strike in support of multi employer agreements, the right to keep your job when the company is sold or transferred and the right to protection from being unfairly dismissed.

It is also very important to say that Unions have played a large role in these achievements. From the industrial and political campaigns we have created the pressure for these changes and we have influenced how people vote to get a government that can and will deliver them. We have won things industrially that we have gone on to be offered as part of the minimum code of employment rights, we have campaigned for the removal of youth rates, the defeat of the 90 day no rights bill, we have trained a large amount of health and safety reps, we have taken part in campaigns for high quality well funded public services and done lots more.

As part of the Union movement we develop our own policies and priorities on all the important issues facing us in this country and we encourage our union members and their

families to be active politically. It is not only a right, but a responsibility for people to be politically active.

This includes taking part in the most fundamental of democratic acts, that of voting. Unions played a powerful role in helping people to get on to the electoral roll in previous elections, and we must do the same again. In the last election one in five people on the electoral roll did not vote.

As an example look at the recent local government elections and the returns of voting papers around the country, I think we have a real worry that Auckland has voted John Banks back in as mayor with only 37% of the vote---Aucklanders rely on local government services in Auckland---how councils invest in local government is as important to workers as how central government invest in public services.

Politics does matter, it does impact on our lives as working people and getting this message across is an important part of our Unions political strategy.

In the 2005 election unions were critical in turning out the voters in South Auckland which tipped the balance in deciding the election outcome, we need to do this again, we have to work with our members to make sure they are on the electoral roll and that they understand the key issues and debates leading up to the election; and that they are active in seeking answers from candidates on the issues that matter most to them..

This includes setting out our aspirations for work and securing political commitments to them, issues like pay, training, industry agreements, reducing hour of work and work stability, reducing casualisation. Work is important to us we spend our life time doing it; we want it to be interesting, provide opportunities and provide decent pay.

Also as working people we all have lives outside of work, working people live in communities, and are a part of the wider society so protecting and enhancing workers rights, and stronger public services as well as higher wages, are the planks of our political strategy, and the ground on which we campaign in election year.

There is certainly been good progress made but there is still a long hard road ahead

I am sure that New Zealanders don't want to go back to the days of the 1980s and 1990s when the disparity between rich and poor grew faster in any O E C D Country.

Looking over the next few years what can we expect? Quite frankly it is not all that clear.

It has been said that we want fresh political faces on our TVs. And the National party has a fresh faced new leader with a policy of agreeing, or appearing to agree, with many of the key Labour policies which have defined the political divide.

I say appearing to agree deliberately because it is always been our policy at RMTU to encourage our members to look past the rhetoric and reassurances, and examine the detail of the policies.

And if you look at the National Party policy on Industrial relations and other key work related issues like ACC, nothing has changed.

The policy is to weaken the ERA and, in particular to again remove the key role of Unions in collective bargaining.

The commitment to the map bill policy of removing all legal rights during the first three months of a new job will remain, which means stripping more than 700,000 New Zealanders every year of their legal rights to unfair dismissal.

The National party has made very strong statements about cutting public expenditure and we have seen from the past that that means cuts for public services, education and health including increased GP fees. There is talk of privatization of SOEs and ACC.

And very importantly it is still not clear that the National Party respects the role of Unions as social partners in a modern democratic society. So in the interest of providing a fresh face for voters is we heading for a return to the 1990s if a national Government is elected next year?

Those of us with longer memories will remember the “decent society” which National campaigned on in 1990, we mustn’t be conned again.

It is for you, and our members and the wider working community to take stock of what has been achieved over the past eight years and whether all that is at risk with a change of government.

Yes it is a hard road finding the perfect Government but it would be without foresight and without hindsight not to compare this last eight years with the previous eight and to spot the difference.

What I am trying to do is put our role in the context of the political choice we face next year and the critical importance of re-electing a Labour led Government to continue the building of its social democratic programme, And a continued ability to re-build the Trade Union movement.

I hope I have left you with something to think about.

Well delegates I think I have ranted on long enough, I will conclude like I have in previous years.

To you, the conference delegates, we must continue to strive for greater unity amongst our members regardless of our workplace or occupation and ensure you continue to unionize and grow the RMTU.

I ask you to debate the issues freely and frankly and not to forget who we are representing here to-day.

Thank you all for your effort and support without it your union would be the poorer.

I move the endorsement of the 13th Report of the National Management Committee of the Rail and Maritime Transport Union.

APPENDIX C

**Rail & Maritime Transport Union Incorporated
Financial Statements
For the Year Ended 30 June 2007**

**sherwin chan & walshe***Creating Solutions and Building Profits*

Audit Report

To the Readers of the financial statements of Rail and Maritime Transport Union Incorporated

We have audited the attached financial statements. The financial statements provide information about the past financial performance of the Union and its financial position as at 30 June 2007. This information is stated in accordance with the accounting policies described in the notes to the financial statements.

Union's Responsibilities

The Union is responsible for the preparation of the financial statements which fairly reflects the financial position of the Union as at 30 June 2007 and of the results of its operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Union and report our opinion to you.

Basis of Opinion

An audit includes examining on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards issued by the New Zealand Institute of Chartered Accountants. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Our firm carries out other assignments on behalf of the Union in the areas of taxation advice. Other than in this capacity and in our capacity as auditors, we have no other relationship with, or interests in the Union.


Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion

- proper accounting records have been kept by the Union as far as appears from our examination of those records; and
- the financial statements:
 - complies with generally accepted accounting practice; and
 - fairly reflects the financial position of the Union as at 30 June 2007 and the results of its operations for the year ended on that date.

Our audit was completed on 17 September 2007 and our unqualified opinion is expressed as at that date.


Sherwin Chan & Walshe
Chartered Accountants
Lower Hutt

Rail & Maritime Transport Union Inc **Statement of Income and Expenditure** **For the Year Ended 30 June 2007**



	Note	2007	2006
INCOME		\$	\$
Interest Received		114,435	104,990
LE Superannuation Trust Fund		30,000	30,000
NZ Harbours Super Fund Admin		7,995	8,927
Health & Safety Project Funding		-	26,250
Road Transport Project		20,956	21,069
Subscriptions		1,172,602	1,171,120
ERE Contestable Fund Income		-	9,333
Profit on Sale of Assets		4,460	4,248
Shared Use of Premises Income		15,582	14,005
		1,387,766	1,389,942
EXPENDITURE			
Administration: General			
Affiliation Fees		32,027	27,352
Audit Fees		9,100	9,000
Bank & Account Fees		1,347	1,301
Cleaning		2,724	2,594
Communications		31,698	28,925
Conferences & Seminars		24,147	32,652
CTU Conferences & Seminars		12,701	5,042
Depreciation		48,163	41,857
Donations		13,402	17,013
Electricity		4,007	3,445
E W File Scholarship		3,000	3,000
Funeral Benefit		9,625	12,044
General Expenses		3,555	3,103
Insurance		8,975	7,726
Interest		4,295	4,374
International Transport Workers' Federation		4,902	11,646
Legal Services		12,640	6,311
National Conference Expenses		31,520	36,140
NMC Expenses		15,992	19,067
Overseas Unions		38,325	7,907
Postage & Couriers		5,118	14,342
Printing		15,573	24,144
Professional Fees		2,034	-
Publications & Subscriptions		3,285	3,137
Rental		53,391	47,101
Repairs & Maintenance		15,480	12,044
Security		1,437	867
Social Functions		2,497	3,986
Stationery & Equipment		7,011	14,105
Union Magazine		30,238	28,700
		448,208	428,925

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Rail & Maritime Transport Union Inc **Statement of Income and Expenditure** **For the Year Ended 30 June 2007**



	Note	2007 \$	2006 \$
Administration: Staff			
ACC Levies		2,382	2,403
Fringe Benefit Tax		12,924	12,978
Motor Vehicle Expenses		41,479	37,707
Salaries		495,846	447,560
Staff Education & Training		11,368	19,260
Staff Leave		4,829	13,369
Superannuation		43,315	40,590
Tranz Rail H&S Project		-	7,845
Staff Selection Expenses		-	5,328
		612,143	587,040
Administration: Industrial			
ACC Member Services		23,368	6,564
Amalgamation Meetings		13,359	13,061
Branch Capitation & Expenses		35,349	32,919
Branch Visits		26,147	15,398
Campaigns & Special Projects		9,361	790
Contract Negotiations: Ports		22,646	8,523
Contract Negotiations: Rail		37,430	23,035
Council Meeting Expenses		94	704
Contract Disputes		-	610
Delegates' Training		1,937	746
Industry Training		189	-
Labour Party Affiliates Meetings		115	-
Personal Grievances & Comp		126,001	49,848
Rail Safety Management		722	299
Toll Rail NZ Restructuring		-	4,603
Workers' Memorial Day		3,753	1,708
		300,471	158,808
Total Expenditure		1,360,822	1,174,773
Surplus before Other Items		26,945	215,169
Branch Net Surplus before Tax		85,848	31,061
Total Net Surplus before Tax		112,792	246,230
Provision for Taxation	2	40,892	37,536
Net Surplus for Year		71,900	208,694

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Rail & Maritime Transport Union Inc
Branch Statement of Income and Expenditure
For the Year Ended 30 June 2007



	Note	2007	2006
INCOME		\$	\$
Branch Honoraria from NO		26,265	26,892
Dividends Received		8,475	8,513
Interest Received		17,721	15,507
Local Branch Fee		57,728	58,629
Sundry Income		-	888
Unrealised Gain on Shares		67,601	16,055
		177,790	126,484
EXPENDITURE			
Administration: General			
Bank Fees		64	83
Communications		3,511	2,690
Conferences & Seminars		13,856	16,572
Depreciation		862	1,628
Donations		7,251	5,794
Funeral Expenses		358	895
General Expenses		385	434
Farewell for Paul Corliss		-	(323)
Insurance		717	539
National Conference Expenses		9,555	6,546
Meeting Expenses		3,121	2,483
Postage & Couriers		492	615
Printing & Photocopying		-	227
Loss on Sale of Assets		-	1,234
Publications & Subscriptions		325	1,254
Rental		1,103	2,206
Railways Welfare Subscriptions		1,920	432
Repairs & Maintenance		-	(89)
Security		-	40
Social Expenses		3,531	4,063
Stationery & Equipment		1,317	2,373
Welfare Payments		879	416
		49,247	50,112
Administration: Staff			
Salary Reimbursement to NO		18,447	18,802
		18,447	18,802

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Rail & Maritime Transport Union Inc
Branch Statement of Income and Expenditure
For the Year Ended 30 June 2007



	Note	2007	2006
		\$	\$
Administration: Industrial			
Honoraria & Expenses		22,352	23,012
Delegates' Training		576	-
Personal Grievances & Disputes		-	1,100
Workers' Memorial Day		1,321	587
		<hr/> 24,249	<hr/> 24,699
Total Expenditure		91,943	93,613
Unrealised Loss on Shares		-	1,810
		<hr/> 91,943	<hr/> 95,423
Branch Net Surplus before Tax		<hr/> 85,848	<hr/> 31,061

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Rail & Maritime Transport Union Inc
Statement of Financial Position
As At 30 June 2007



CURRENT ASSETS	Notes	2007	2006
		\$	\$
BNZ Accounts	5	246,210	287,879
Accounts Receivable	3	59,876	54,601
Interest Accrued	4	15,662	7,241
Tax Refund Due	2	-	2,194
Total Current Assets		321,748	351,915

NON CURRENT ASSETS

Fixed Assets	6	162,269	174,290
Investments	7	2,045,800	1,920,269
Total Non Current Assets		2,208,069	2,094,559

Total Assets		2,529,816	2,446,474
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CURRENT LIABILITIES

Accounts Payable	8	128,537	105,587
Current Portion of Allied Finance	11	13,968	3,492
GST Payable		14,260	17,319
Konemu Provision		12,903	14,516
Income Tax Payable	2	308	-
Provision for Leave		65,791	60,962
Funds Held in Trust		25,124	23,124
Total Current Liabilities		260,890	225,000

NON CURRENT LIABILITIES

Non Current Portion of Allied Finance Ltd	11	38,413	62,858
Total Non Current Liabilities		38,413	62,858

NET ASSETS		2,230,512	2,181,739
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MEMBERS' FUNDS

Opening Accumulated Funds	10	2,158,612	1,973,045
Plus Surplus / (Deficit)		71,900	208,694
TOTAL MEMBERS' FUNDS		2,230,512	2,181,739


 General Secretary

17 September 2007

Date

The accompanying notes form part of, and are to be read in conjunction with these financial statements.

Rail & Maritime Transport Union Inc

Notes to the Financial Statements

For the Year Ended 30 June 2007



1. **STATEMENT OF ACCOUNTING POLICIES**

Reporting Entity

Rail & Maritime Transport Union is incorporated under the Incorporated Societies Act 1908.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993.

Measurement Base

The general accounting policies recognised as appropriate for the measurement of results, and financial position have been followed in the preparation of these financial statements. The historical cost method, as modified for the revaluation of certain assets, has been followed.

Particular Accounting Policies

The particular accounting policies which materially affect the measurement of results, cash flows, and financial position have been applied as follows:-

Accounts Receivable

Accounts receivable are stated at expected realisable value.

Fixed Assets

Fixed Assets are stated at cost or valuation less accumulated depreciation.

Leasehold Alterations	6.5-13.5% S.L.
Motor Vehicles	18.0% S.L.
Office Furniture and Equipment	8.0-40.0% S.L.
Kitchen Equipment	13.5% S.L.
Computer Equipment	30.0% S.L.

Goods and Services Tax

The Statement of Income and Expenditure has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of accounts receivable and accounts payable, which include GST invoiced.

Valuation of Investments

Investments are valued at market value.

Operating Leases

Operating lease payments have been included as expenses in the Statement of Income and expenditure in the period in which they are incurred.

Finance Leases

Assets acquired by way of finance lease are stated initially at an amount equal to the present value of the future minimum lease payments, and are depreciated as assets. The interest expense component of finance lease payments is recognised in the Statement of financial Performance using the effective interest rate method.

Taxation

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

Differential Reporting

The entity qualifies for Differential Reporting as it is not publicly accountable, and it is not a large entity. Accordingly, advantage has been taken of all differential reporting exemptions.

Comparative Figures

Comparative figures have been adjusted to conform to the current year's presentation.

Rail & Maritime Transport Union Inc **Notes to the Financial Statements** **For the Year Ended 30 June 2007**



2. TAXATION	2007	2006
	\$	\$
Interest & Dividends Received: National Office	114,435	104,990
Interest & Dividends Received: Branches	30,370	28,213
Sundry Income	-	888
Less: \$1,000 exemption	(1,000)	(1,000)
Allowable Deductions	(7,240)	(6,705)
Assessable Income	<u>136,564</u>	<u>126,386</u>
Tax Due		
being National Office	32,316	32,176
being Branches	8,576	5,360
	<u>40,892</u>	<u>37,536</u>
Adjustment from previous year	-	(22)
Less: Taxation Paid and brought forward (Inc: RWT, Imputation Credits & Prov Tax)	(40,584)	(39,708)
Taxation Payable / (Refund Due)	<u>308</u>	<u>(2,194)</u>
3. ACCOUNTS RECEIVABLE		
Accounts Receivable consists of:		
National Office Receivables	54,144	49,520
Branch Receivables	5,732	5,081
	<u>59,876</u>	<u>54,601</u>
4. INTEREST ACCRUED		
Interest Accrued consists of:		
National Office Accruals	10,674	5,639
Branch Accruals	4,987	1,602
	<u>15,662</u>	<u>7,241</u>
5. BANK		
Bank Consists of:		
Bank of New Zealand Current Account	43,234	92,352
Branch Bank Accounts	102,570	97,528
Harbour City Credit Union	43,705	13,027
Branch Credit Union Accounts	10,959	10,455
Bank of New Zealand Call Account	36,441	70,364
Branch Call Accounts	8,980	3,814
Petty Cash	321	339
	<u>246,210</u>	<u>287,879</u>

Rail & Maritime Transport Union Inc **Notes to the Financial Statements** **For the Year Ended 30 June 2007**



6. <u>FIXED ASSETS</u>	2007 \$	2006 \$
Leasehold Alterations	66,570	66,570
Less: Accumulated Depreciation	<u>33,283</u>	<u>28,091</u>
Book Value	33,287	38,479
Motor Vehicles	81,662	85,316
Less: Accumulated Depreciation	<u>31,097</u>	<u>51,056</u>
Book Value	50,565	34,260
Office Furniture & Equipment	285,118	287,593
Less: Accumulated Depreciation	<u>206,701</u>	<u>186,042</u>
Book Value	78,416	101,550
TOTAL FIXED ASSETS	433,350	439,479
Less: Accumulated Depreciation	271,081	265,189
	<u>162,269</u> =====	<u>174,290</u> =====
7. <u>INVESTMENTS</u>		
Investments consist of:		
PSIS Term Investment	813,763	774,952
BNZ Legal Reserve Account	400,000	400,000
BNZ Term Deposit	324,301	306,687
Branch Term Deposits	220,825	219,320
Branch Shares	286,911	219,310
	<u>2,045,800</u> =====	<u>1,920,269</u> =====
8. <u>ACCOUNTS PAYABLE</u>		
Accounts Payable consists of:		
National Office Payables	118,279	99,649
Branch Payables	10,258	5,938
	<u>128,537</u> =====	<u>105,587</u> =====

9. FINANCIAL INSTRUMENTS

The carrying amount of all material statement of financial position assets and liabilities are considered to be equivalent to their fair value. The union has no off balance sheet financial instruments. Financial instruments which potentially subject the union to credit risk consist of cash, deposits and debtors. The union places its cash and deposits with financial institutions of high credit worthiness to minimise its exposure to significant concentrations of credit risk. All cash and deposits are with BNZ, PSIS, and local Credit Unions. The union has no exposure to currency risk.

Rail & Maritime Transport Union Inc **Notes to the Financial Statements** **For the Year Ended 30 June 2007**



10. <u>MEMBERS' FUNDS</u>	2007	2006
	\$	\$
Members' funds consist of:		
National Office Opening Balance	1,201,514	1,041,644
Plus: Surplus / (Deficit)	(5,371)	182,994
	<hr/>	<hr/>
Closing Balance	1,196,143	1,224,638
Branch Opening Balance	557,098	531,399
Plus: Surplus / (Deficit)	77,270	25,702
	<hr/>	<hr/>
Closing Balance	634,369	557,101
Legal Expenses Fund	400,000	400,000
	<hr/>	<hr/>
Total	2,230,512	2,181,739
	=====	=====

11. **FINANCE LEASES**

Finance leases are secured over the assets to which they pertain. Finance rates which are fixed for the term of the agreement are detailed below along with the original term.

- (a) Lease Agreement between the Union and Marac Finance regarding three Ricoh Printers. The Agreement commenced at 10-04-06 over a period of 60 months and the finance rate is 9.95%.

Leases outstanding at balance date:

Marac Finance	52,382	66,350
	<hr/>	<hr/>
	52,382	66,350

Repayable as follows:-

Current Liabilities	13,968	3,492
Non Current Liabilities	38,413	62,858

12. **CONTINGENT LIABILITIES**

At balance date there are no known contingent liabilities (2006: \$0). The Union has not granted any securities in respect of liabilities payable by any other party whatsoever.

13. **EVENTS SUBJECT TO BALANCE DATE**

There have been no matters or circumstances since the end of the financial year, not otherwise dealt with in these financial statements, that have significantly or may significantly affect the operations of the Union.

APPENDIX D**Budget to 30 June 2008**

Income	A/c No	Actual 30/06/07	Budget 30/06/08	Budget 30/06/07
Interest Received (gross)	4130	114,434.62	119,819.03	110,040.13
LE Superannuation Trust Fund Admin	4140	30,000.00	30,000.00	30,000.00
NZ Harbours Super Fund Admin	4160	7,995.21	7,720.00	7,350.00
Profit on Sale of Assets	4171	4,460.47	100.00	0.00
Road Transport Project Fnding (Finished)	4175	20,956.18	-	21,318.44
Subscriptions/Union Fees	4180	1,172,602.41	1,154,081.58	1,174,709.90
Subscriptions – Strike Fund	4181	21,736.39	32,604.59	-
ERE Contestable Fund Income	4185	-	-	9,333.33
Shared Use of Premises Income	4195	15,581.80	16,183.62	15,077.16
Sundry Income	4200	-	100.00	100.00
Total Income		1,387,767.08	1,360,608.82	1,367,928.96

<i>Budget figure is based on following:</i>		4,088					
Members as at 29 June 2007	NOM	(incl GST)	GST	Strike Fund	Union Fee	Periods per Yr	Amount
<i>Apprentices (per week)</i>	16	\$3.36	0.37	0.08	2.91	52	2,421.12
<i>Casuals (per day)</i>	228	\$1.08	0.12		0.96	12	2,626.56
<i>Dual Union (per week)</i>	1	\$3.36	0.37	0.08	2.91	52	151.32
<i>Fixed Term (per week)</i>	18	\$6.73	0.75	0.17	5.81	52	5,438.16
<i>Full-Time (per week)</i>	3750	\$6.73	0.75	0.17	5.81	52	1,132,950.00
<i>Honorary Member (per year)</i>	6	\$10.00	1.11		8.89	1	53.34
<i>Part-Time (per week)</i>	69	\$3.36	0.37	0.08	2.91	52	10,441.08
	4088						1,154,081.58

Expenditure**Administration**

Affiliation Fees : CTU	5120	12,016.09	12,016.09	11,227.88
: ITF	5120	17,713.82	18,130.00	17,575.00
: NZ Labour Party	5120	2,296.88	2,625.00	-
Audit Fees	5130	9,100.00	9,100.00	9,000.00
Bank Charges	5140	1,346.71	1,414.05	1,430.74
Cleaning	5150	2,723.64	2,723.64	2,723.64
Communications	5170	31,698.38	31,855.44	33,852.72
Conferences & Seminars	5180	24,146.73	25,000.00	35,000.00
CTU Conferences & Seminars	5190	12,700.90	13,000.00	6,000.00
Depn: Office Furniture & Equipment	5200	28,271.68	29,939.40	28,944.12
Depn: Leasehold Alterations	5210	5,192.40	5,192.40	5,192.40
Depn: Motor Vehicles	5220	14,698.92	14,698.92	14,698.92
Donations	5230	13,402.26	3,500.00	2,000.00
Electricity	5250	4,007.14	4,025.27	3,662.96
E W File Scholarship	5260	3,000.00	3,000.00	3,000.00
Funeral Benefit	5270	9,625.55	12,000.00	14,000.00
General Expenses	5280	3,553.60	3,800.00	3,000.00
Insurance	5290	8,975.58	10,000.00	8,156.59

Interest	5300	4,295.52	4,295.52	4,295.52
International Transport Workers' Fed	5310	4,901.78	5,000.00	12,000.00
Legal Services	5330	12,640.10	13,000.00	6,000.00
Loss on Sale of Assets	5420	-	100.00	100.00
National Conference Expenses	5350	31,519.81	32,000.00	40,000.00
NMC Expenses	5360	15,991.56	14,500.00	18,000.00
Overseas Unions	5380	38,324.82	10,000.00	8,000.00
Postages & P O Box Rental	5390	5,117.82	6,000.00	10,000.00
Printing	5400	15,573.50	16,000.00	25,000.00
Professional Fees	5410	2,034.00	-	-
Publications & Subscriptions	5430	3,284.72	3,000.00	3,000.00
Rental	5440	53,391.25	57,733.56	47,793.00
Repairs & Maintenance	5470	15,479.86	10,000.00	13,000.00
Security	5480	1,437.20	1,600.00	1,200.00
Social Functions	5490	2,497.36	2,500.00	4,000.00
Stationery & Equipment	5520	7,011.45	7,200.00	14,000.00
Union Journal	5530	30,237.67	30,400.00	29,000.00

	448,208.70	415,349.28	434,853.49
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Staff

Accident Compensation Levies	6110	2,381.96	2,693.43	2,403.16
Fringe Benefit Tax	6120	12,924.12	12,312.96	12,281.60
Motor Vehicle Expenses	6130	41,479.38	46,500.00	38,000.00
Salaries	6140	495,846.36	561,131.46	541,520.25
Staff Education & Training	6150	11,367.51	12,000.00	20,000.00
Staff Leave	6160	4,828.59	65,791.09	59,770.15
Superannuation	6170	43,315.00	53,298.47	49,201.57

	612,142.92	753,727.41	723,176.73
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Industrial

ACC Member Services	7110	23,368.49	20,000.00	15,000.00
Amalgamation Meetings	7120	13,358.51	2,000.00	12,000.00
Branch Capitation & Expenses	7130	35,349.00	36,584.00	34,250.00
Branch Site Visits	7140	26,146.64	26,500.00	17,000.00
Campaigns & Special Projects (incl Greenfield sites)	7150	9,360.87	10,000.00	16,000.00

Collective Agreement Negotiations:

- Centreport Ltd	7160-CNTPRT	191.41	100.00	200.00
- Cityline Hutt Valley Ltd	7160-CITYLN	127.85	100.00	200.00
- Goughs Forklifts	7160-GOUGHs	-	-	-
- Greater Wellington Regional Council	7160-WRCNCL	-	-	-
- Grey District Council	7160-GREYDC	120.26	100.00	500.00
- Halls Refrigerated Transport	7160-HALLSC	1,288.00	100.00	100.00
- Lyttelton Port Company Ltd	7160-LYTPCO	1,867.40	100.00	100.00
- North Tugz	7160-NHTUG	13,120.85	1,000.00	1,100.00
- ONTRACK Infrastructure Ltd	7160-ONTRAK	6,050.10	2,000.00	3,000.00
- Port Marlborough (NZ) Ltd	7160-PTMARL	797.45	100.00	1,000.00
- Port Nelson Ltd	7160-PTNELS	3,004.82	100.00	1,000.00
- Port of Napier Ltd	7160-PTNAPR	-	100.00	100.00
- Port of Tauranga Ltd	7160-PTTAUR	3,161.76	100.00	1,000.00
- Port Otago Ltd	7160-PTOTAG	-	100.00	1,000.00
- Port Taranaki Ltd	7160-PTTARK	-	100.00	100.00
- Prime Port Timaru Ltd	7160-PTTIMR	-	100.00	100.00
- South Port NZ Ltd	7160-STHPRT	-	100.00	100.00
- Specialised Container Svcs	7160-SCSVCS	3,487.96	100.00	3,000.00
- Stagecoach Wellington	7160-WCTTRAN	-	200.00	200.00
- Taieri Gorge Railway	7160-TAEIRI	-	100.00	100.00
- Toll NZ Consolidated Ltd (MECA)	7160-TOLLNZ	11,393.04	5,000.00	500.00

- Toll Owens	7160-TOLLOW	382.00	1,000.00	1,000.00
- United Group Rail	7160-UGRPRL	14,689.39	2,000.00	2,000.00
- Veolia Transport Ltd (MECA)	7160-VEOLIA	393.77	1,000.00	500.00
Councils:				
- Locomotive Engineers	7170-TRLLEC	72.93	100.00	200.00
- National Terminals	7170-TRLNTE	-	100.00	200.00
- Network Control	7170-TOLLOC	-	100.00	200.00
- ONTRACK Infrastructure	7170-TRNSFC	21.33	100.00	200.00
- United Rail Council	7170-UGRPRL	-	100.00	200.00
Contract Disputes	7180	-	-	1,000.00
Delegates' Training	7190	1,937.45	2,000.00	9,333.33
Industry Training	7210	188.64	200.00	100.00
Labour Party Conference & Meetings	7220	115.00	500.00	-
Personal Grievances & Compliance	7230	126,000.74	100,000.00	50,000.00
Safety Management (Old H&S Project)	7240	721.88	1,000.00	-
Toll Rail NZ Restructuring	7245	-	-	2,000.00
Workers' Memorial Day	7250	3,752.58	3,000.00	1,800.00
		300,470.12	215,984.00	179,383.33
Total Expenditure		1,360,821.74	1,385,060.69	1,337,413.55
Income Over (Expenditure) Before Tax		26,945.34	(24,451.87)	30,515.41
Resident Withholding Tax Paid	8130	36,410.20	38,719.87	25,049.84
Income Over (Expenditure) After Tax		(9,464.86)	(63,171.74)	5,465.57
Provision for Capital Expenditure		35,521.77	30,000.00	60,000.00
INCOME OVER (EXPENDITURE)		\$ (44,986.63)	\$ (93,171.74)	\$ (54,534.43)

All figures are GST Exclusive

APPENDIX E

Discussion Paper: Membership Subscriptions

Current Union Fees

At the 2006 Conference the following resolution was carried:

It was resolved that the union fees (apart from the casual fee of \$1.08) be increased by 3% as authorised at National Conference 2005 but that the increased amount be transferred to a strike fund.

It was further resolved that until Conference decides to the contrary the amounts of \$0.17 per full-time member and \$0.08 per Part-Time/Apprentice/Trainee member be transferred to the strike fund on a weekly basis. This increase to take effect from the first pay day in November.

Union Fees were increased to the following:

- ◆ \$6.73 per week for full-time members
- ◆ \$13.46 per fortnight for full-time members
- ◆ \$29.17 per month for full-time members
- ◆ \$1.08 per day for daily casuals
- ◆ \$3.36 per week or \$6.73 per fortnight for part-time employees working less than 20 hours per week
- ◆ \$3.36 per week or \$6.73 per fortnight for trainees/apprentices earning remuneration below a determined amount; and

a Strike Fund set up. As at the 30-06-07 it had accumulated the amount of \$21,736.39.

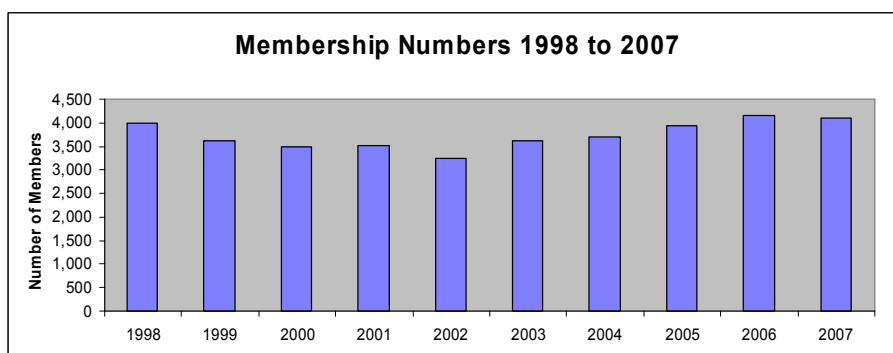
Union Membership Numbers

Membership numbers at 29 June 2007 were as follows:-

Apprentices	Casual	Dual Union	Fixed Term	Full Time	Hon Mem	Part Time	Total
16	228	1	18	3,750	6	69	4,088

These members are employed by 35 employers with most members being with Toll NZ Consolidated Ltd ranging downwards to temporary staff agencies having only 1 or more members.

The following graph illustrates the increase in Union membership from a low in 2002 of 3,245 to a slight decrease this year of 4,088:-



Recommendation

The National Management Committee is recommending that union fees be increased as authorised at National Conference last year (i.e. MECA increase by 6% 1 July 2007):

	Current					Proposed Union Fee Increase from 1/11/07				
	GST Inc	GST	Strike Fund	GST Exc	Increase	Net	GST	Strike Fund	Gross	Strike Fund Inc 6%
Union Fees:										
Weekly	6.73	0.75	0.17	5.81	0.35	6.33	0.79	0.18	7.30	0.01
Fortnightly	13.46	1.50	0.33	11.63	0.70	12.66	1.58	0.35	14.59	0.02
Monthly	29.17	3.24	0.74	25.19	1.51	27.44	3.43	0.78	31.66	0.04
Daily Casual Fee	1.08	0.12		0.96		0.96	0.12	0.00	1.08	0.00
Part-Time	3.36	0.37	0.08	2.91	0.17	3.16	0.40	0.08	3.65	0.00
Apprentices/Trainees	3.36	0.37	0.08	2.91	0.17	3.16	0.40	0.08	3.65	0.00

If Union fees are increased they will be as follows:-

- \$7.30 per week for full-time members
- \$14.59 per fortnight for full-time members
- \$31.66 per month for full-time members
- \$1.08 per day for daily casuals
- \$3.65 per week or \$7.30 per fortnight for part-time employees working less than 20 hours per week
- \$3.65 per week or \$7.30 per fortnight for trainees/apprentices earning remuneration below a determined amount.

APPENDIX F**The Past Always Walks Before Us**

(If we don't learn from the past we are open to repeating mistakes of the past)

The Labour Party 1984

Largely made up from the following different groupings

- **The Liberals:** Often from universities offended by the interventionist and authoritarian style of the National Party under Rob Muldoon.
- **The Peace Movement:** Peace activists saw labour as an alternative to strong National support for pro-American international and military affairs.
- **The Women's movement:** Many women saw National as restricting progress on women's issues.
- **The Environmentalists:** Many ex- Values party activists joined the Labour party.

- **The Left:** Groups that believed in public ownership and State support for beneficiaries became more active in the Labour Party.
- **The Unions:** Strong advocates of union rights and the process of determining pay and conditions of employment.

- The party largely concentrated on the establishment and support for a "No Nukes" policy.
- Control of economic policy was being run by a group who had been converted to the "monetarist" doctrine of economics.
- The Government decontrolled the finance sector, floated the dollar and removed virtually all restrictions of investment flows. Largely removed import protection. Lowered the Company tax rate and top income tax rate to among lowest in OECD.
- Introduced GST
- Sold off Air NZ, Shipping Line, Steel works, Forests, State Insurance company, Gas and Petrochemical interests, Telecommunications Etc.

- **The Programme** has been described as the most rapid and comprehensive economic reform package along IMF "monetarist" lines implemented anywhere in the world. It has been described as making Thatcher or Reagan look soft by comparison.
- Unemployment rose by about 100,000 between 1985 and 1991.

The Return of National

- In 1990 the general unpopularity of these economic policies resulted in a change of Government.
- National campaigned on a "decent society" however despite it's election campaign and promises, they actually intensified the extremist economic doctrine in NZ.
- National removed the welfare "safety net" and deregulated the labour market.
- In welfare the Government slashed benefits. Designed to discipline the workforce into a "work or starve" mentality.

The Return of National

- In the labour market the Government introduced the Employments Contracts Act. Described as massively anti-worker and anti-union. Was permissive legislation, essentially said that workers and employers can do whatever they like. Unions were removed from statutes. Removed safety net of national awards. Made voluntary unionism compulsory. Workers had to individually authorise a union to act for each stage of procedure. Massively expensive and in lots of case impossible to operate.
- In theory this was designed to create an attractive business environment
- In reality the attraction was the offer of a cheap but skilled workforce.

What do they say

- ThenNational party on ECA: it is important to realise that despite the awards being terminated, the individual conditions of employment continue under common law on an individual basis and can be varied only by agreement between the parties.
- National Party today: We feel that by refining the Employment Relations Act we can produce legislation which creates the right balance between the rights of employees and employers. Workers should be able to offer their services to an employer on terms and conditions that they want.

- Following introduction of the ECA there were massive attacks on pay and conditions.
- E.G. Rail introduction of Tier 2 Collective Contracts.
- Unions could not negotiate Tier 2 Collectives because the workers were not employees until they agreed to the Tier 2 conditions of employment
- Ports Grandfathering of wages and conditions.
- Similar stories in other industries.

What do they say

- National Party on new employees: We see a need for an optional probationary period for new employees. It can be voluntary....the employee can be free to agree terms of the period or free to agree that a probationary period is not needed.
- Relevant daily pay: The Act must be reviewed. "It cannot be healthy to be paid more to be sick than at work."
- Holiday entitlements: "We have concerns that the current way in which holiday entitlements are calculated is not the fairest and is not the easiest."
- Holiday extra week: Allow the fourth week to be taken as salary or cash by mutual agreement.

- ACC Our aversion to the monopoly that ACC has for workplace injury has not changed. National believes that giving employers a choice of provider will lead to better safety for employees.
- National Party on employment law: The existing framework of industrial law does need to be changed – the status quo is not an option.
- Employment Laws must be flexible enough so that we can be competitive but must allow nimbleness so that businesses can respond to changing demands of both domestic and international markets.

National Party

- Sale of State Assets
- Kiwi Bank Neither confirm or deny whether to sell off Kiwi Bank to one of the big banks
- Doctors fees up !
- Schools --- Prisons --- Health all in danger of being privatised or partially privatised.
- Borrowing for tax cuts

Kiwi Saverwill not confirm they will keep it.

National Tragedy of what might have been

- December 1975 National abolished the New Zealand Superannuation Scheme.
- Contributions were 4 per cent by employees4 per cent employers
- Scheme well ahead of it's time
- Today it would be worth \$240 Billion
- Would put New Zealand into top five of OECD economies.

So where to from here

- Well we have the choice
- Back to ECA days with attacks on working people, sale of assets etc
- or
- Forward with Labour and Allies.
- What is to be Done?
- Exercise in groups : What do you expect to happen should National come back. Resolutions from groups e.g. keep National out ... elect Labour and allies. Action members should be taking.

APPENDIX G

Group Exercise Reports

- 1) AUSSIE ELECTION LABOUR WIN WE ALL GO.
- 2) EDUCATION OF MEMBERSHIP THROUGH BRANCHES.
- 3) LABOUR BACK TO CORE WORKING CLASS VALUES, RANK AND FILE TO PROMOTE
- 4) REBRAND UNION'S IMAGE
- 5) SUB-COMMITTEES TO SPECIALISE, THEN REPORT BACK
- 6) APATHY: SEIZE THE MEDIA.

Labour & Allies

Allies: Greens Progressive

- 1) Attend Labour Party meetings. Candidate selection.
- 2) Get people to vote & Enrolled.
- 3) Check Union Role with Electorate Role.
- 4) Accessibility to MPs.
- 5) Attend CTU affiliate meetings
- 6) Emphasise party vote
- 7) Educate, Elevate

Issues

SOCIAL CHANGES

INCREASED WORK HOURS

REMOVAL OF SOCIAL CLUBS ETC

CHANGES TO FAMILY STRUCTURES

LESS TIME (WITH WHANAU)

HOUSE VALUES - INCREASED BORROWING

RETURN TO GRASS ROOTS - NEIGHBOURLY SUPPORT!

8 TO 9% UNIONISED WORKFORCE

NEGATIVE REMEMBRANCE

National

TAX CUTS

DISINTEGRATED HEALTH SYSTEM

LOW WAGES

BACK TO THE PAST

DISINTEGRATION OF ECA

UNEMPLOYMENT WILL TRIPLE

CASUALISATION OF WORKFORCE

ACCELERATED FREE TRADE WITH OTHER COUNTRIES

APPENDIX H

Transport Workers' Union

Union Induction



Transport Workers' Union (NSW Branch)

Joining the Transport Workers' Union

Union Induction:

An invitation to join the Transport Workers' Union.

Overview:

1. Maintaining and/or improving conditions and pay.
2. Members Plus: Benefits for TWU members.
3. Members Equity Bank
4. Summarise & Invite to Join



Transport Workers' Union (NSW Branch)



Universal Declaration of Human Rights

Article 23.

- (1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- (2) Everyone, without any discrimination, has the right to equal pay for equal work.
- (3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
- **(4) Everyone has the right to form and to join trade unions for the protection of his/her interests.**



Transport Workers' Union (NSW Branch)

The Benefits of Being Union

Did you know?

- Workers who are members of a union earn an average of **30% more** than non union members.
- On Union sites, the worker is **three times less likely to be dismissed** than in a non union site.
- Union yards are **safer** than non union yards.



Transport Workers' Union (NSW Branch)

How WorkChoices Affects You

The Federal Government's own data proves that workers on AWAs are worse off.

- 63% abolish penalty rates
- 64% axe leave loading
- 51% cut overtime pay
- 46% cut public holiday pay
- 40% reduce rest breaks
- 52% abolish shift work loading
- More than 1 in 5 (22%) provide no pay increase for the life of the agreement, agreements can last up to 5 years



Statistics from the Senate Estimate Committee Hearing



Transport Workers' Union (NSW Branch)

The Temporary Work (457) Visa

Bringing foreign truck drivers to Australia

- The Federal Government wants to allow foreign truck drivers to come to Australia and work under the 457 visa.
- This would undercut the standard rate of pay by at least \$20,000.
- This could lead to: poor safety, lower rates of pay, and no job security.



Transport Workers' Union (NSW Branch)

Fee to join the TWU

- \$7.66 per week - casuals (taken out fortnightly/monthly)
- Once off joining fee \$30
- \$9.58 per week - permanents (taken out fortnightly/monthly)
- All union fees are tax deductible
- Union Picnic Day paid on Easter Saturday



Transport Workers' Union (NSW Branch)

Members Plus

SAVE THREE TIMES!

You save when you purchase your groceries using your pre-purchased WISH card, then by using your Woolworths shopper dockets to save 4c a litre, and save a further 5% by purchasing your petrol or diesel with your pre-purchased WISH card.



Did you know that with TWU Members Plus you can save up to 11c per litre* on your diesel & petrol?

1. Save 5% on your groceries by using your pre-purchased WISH card
2. Save 4 cents per litre on your petrol and diesel by using your shopper dockets
3. Save an additional 5% by using the WISH card to purchase your petrol and diesel

* Using your 4c Shopper Dockets, price variations may apply in some areas.



Transport Workers' Union (NSW Branch)

Members Plus

- On Average, a husband, wife & 2 children, can save \$3500 a year using the member plus scheme.

This makes the union fees cost positive.



Transport Workers' Union (NSW Branch)

Health & Lifestyle



- Exclusive corporate rates NIB;
- Personal digital hearing assessments;
- Discount membership Fitness First;
- 5% discount on all Rebel Sport merchandise



Transport Workers' Union (NSW Branch)

Auto +



- Discount partner program with Beaufort's;
- Leading rates for all insurance;
- Exclusive Thrifty Rental rates;
- Discount on personal/commercial servicing.



Transport Workers' Union (NSW Branch)

Travel and leisure



- Exclusive rates TWU members Good Guys;
- Leading accommodation providers;
- Best value Theme Park Entry;
- Big discounts on



Transport Workers' Union (NSW Branch)

Members Equity Bank (ME)



MembersEquity Bank
The Super Funds Bank

- During the 1990s Industry Super Funds created a low cost home loan alternative to the major banks (SMHL)
- Obtained a Banking licence 2001
- ME now focuses on providing a range of easy to use banking services to working Australians
- Provider of low cost banking products
- Award winning products and member service
- Members Equity Bank is an example of an alternative model, created by Super Funds for the benefit of their members
- Clear Transparent Financial Services – with a focus on education at the workplace.
- Like TWU Union and TWU Super, ME represents the financial interests of working Australians.
- We share strong values such as integrity, respect and flexibility and deliver a strong customer service commitment with our business.



MembersEquity Bank
The Super Growth Bank

ME Home Loan:

Variable 7.74% p.a.
3 year Fixed rate – 7.55%
(comparison rate 7.69%)

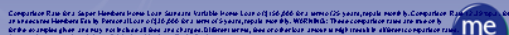
ME MasterCard – 11.24% p.a.

ME Personal Loan - 12.24% p.a.

InterestME Savings Account - 6.50% p.a.

ME Online Savings Account - 6.45% p.a.

ME Term Deposit Account (rates available on request)



MembersEquity Bank
The Super Funds Bank

- The Bank currently has nearly \$18 billion funds under management, 200,000 customers and about 700 staff.

Similar size to

- Bank of Queensland
- Adelaide Bank
- Bendigo Bank

- Home Loans – Super Members Home Loans
- Transaction/Savings Accounts
- InterestME Savings Account
- ME Online Savings Account
- ME Term Deposit
- Personal Loans – Members Equity Personal Loan



MembersEquity
Bank
The Super Funds Bank

Joining the TWU

Does anyone object to joining the
Transport Workers' Union?



Transport Workers' Union (NSW Branch)

APPENDIX I

Tranz Rail Compared To Toll NZ Key Performance

Toll NZ To Tranz NZ

	Toll NZ 2005 \$M	Toll NZ 2007 \$M	Increases
Revenue	609.7	725.9	19.04%
Operating Costs	569.7	649.4	17.50%
Wages*	157.6	173.8	10.28%
Depreciated Operating EXBT From Tinning	40.8	56.4	41.00%
DEBT on Balance Sheet	343.5	348.5	-34.09%
Capex (Excluding Track)**	38.2	63.8	32.72%
Staff Numbers ***	2960	2852	-3.31%

* Less wages for OMTTRACK staff transferred
 ** Capex average per annum in period 2005-2007
 *** 2003 included OMTTRACK staff and Vesta staff not 2007 included Tranz Steel staff

Toll NZ Investment In Capital In Rolling Stock

Total Investment in Rolling Stock from Toll Acquisition to October 2005

Rolling Stock Investment	From Oct 2005 (\$M)	Wagon Investment	From Oct 2005 (\$M)
DORMET Pushed Upgrades:	2,025	DE Wagons Build (Batch 1)	11,881
DK Single Unit Upgrades:	10,731	CPV Upgrades for Solid Energy	731
DF V Single Unit Conversion	1,260	DE Wagons Build	4,518
DFP Locomotive Rebuilds	2,548	JPR JPR Conversion	1,735
Fixed Capital (DMC) Upgrades*	24,294	ZH Upgrades over Class	2,113
EP Major Component Upgrade (B.70)	1,491	End of Study Monitor Upgrade	684
ZH Upgrades (DL) Locomotives	152	Wagon Single & V-Woodstock Replacement	48,679
DEWZ Remodelling Upgrades (solidifier Deck)	679	Other Wagon Investments	1,347
Local Single Deckers & Double Motor Upgrades	35,462		
Total Locomotive Investment	36,000	Total Wagon Investment	65,225
Total Rolling Stock Investment**	101,927		

* Includes \$10.5 million of local investment for JPR Conversion
 ** Total of \$102.48 million wagon investment has been invested in the Toll Rolling Stock investment to June 2007

- Refurbished and modified wagons and do not require any special NZ Steel products - no kunsteel, light plate, target (new traffic)
- Refurbishing NZ Steel domestic wagon fleet to improve ease of operation/safety for NZ Steel
- Upgraded the capacity of the 19 CV wagons
- Built 132 new wheel wagons for Solid Energy and Genesis power
- Refurbished and upgraded fleet to increase capacity in the general fleet TTI/Kombi. Converting (proposed) 38 lead up 26s to UKs to increase container wagon fleet
- Upgraded 19 DK locomotives to DKB standards as well as DFT upgrades and reconditioned DCF locomotives

Toll NZ De-listing

- Toll NZ no longer a publicly listed company on NZ Stock Exchange
- De-listing completed on Friday October 26, 2007
- Facilitates a progressive acquisition position for Toll going forward
- Expand our profile of services in New Zealand
 - Customer Demand
 - Market expectation
 - Prudent

SAFETY, COMMUNITY, ENVIRONMENT

- Dramatic improvements in workplace safety
- Strong public safety record with no rail related passenger deaths recorded on train services in recent years
- Level Crossing and Public Safety Focus including:
 - Tracks are for trains: promotions for primary schools
 - Cops in Cabs scheme
 - Chris Cairns Foundation
- Sponsor of Guide Dog Foundation / Cure Kids
- Sponsor of trains for children eg Tokoroa school and Palmerston North school train trips
- Committed to improving our efficiency and reducing our environmental impacts:
 - Undertaking carbon footprint review
 - Trialing the use of bio fuels in locomotives. New rolling stock will further advance rail's efficiency and environmental benefits
 - Award scheme with Shell to encourage train drivers to save fuel
 - Trialing diesel additive on ferries - trials show significant fuel efficiencies and cleaner emissions

Industry Opportunity - Locomotives

Initial Locomotive Order

- Opportunity to deliver service improvements / increase capacity / reduce costs through introduction of new locomotives (ECMT and NIMT)
- Needed to complement the Crown's investment in the network
- ARTA needs up to 10 additional diesel locomotives for more train sets in the next two years
- Better/quicker/cheaper option than ARTA acquiring new passenger locos
- Opportunity for initial order new locomotives configured for freight service
- This approach has lowest industry cost by avoiding need for specialist passenger loco's
- Need decision now as lead time for new locomotives 2 years

Toll does not have any surplus locomotives to supplement ARTA requirements.
 The opportunity creates a critical decision point.

Wagon Fleet Improvements

CFT (Container Flat Top) Wagons

- Toll transports over 600,000 TEU (Twenty Foot Equivalent) containers per year - largely IMEX
- Availability issues impact on peak season
- Fleet numbers: 2360 - the majority dating from 1970-80's
- Fleet dwindles by 20-30 per year while maintenance costs escalate
- Growing number of heavy commodities - not currently suited for road transportation
BUT threat of potential easing of truck axle load restrictions
- Rail core competency to transport large, heavy consignments**

Initial Order 100 Wagons

- Current offer compelling: price benefit due to lower production cost from China and high NZ dollar
- Opportunity to test alternatives - technology / delivery / quality
- 60 foot wagon - 3 TEU
- 100 km/hr running speed
- Forerunner to larger order, enables configurations to be optimised, delivering improved utilisation and payload per tare.**

NIMT Electrification: Is it the right answer?

ELECTRIFICATION

- Planned route
- Currently used but not currently electrified by efficiency gains
- More investigation to be required

Christchurch Consolidation Plan

STAGE 1 Central Location Management in Christchurch

STAGE 2 Middie

STAGE 3 City Management

DIVEST \$2.5M Surplus Land

DIVEST \$7.5M Surplus Land

⊗ Toll Engineering / Maintenance Facility

Pushing forward with sustainable options

Two Immediate Sustainable Opportunities

- 10-12 New Locomotives (NZ\$40m - \$45m)
- 100 CFT wagons (NZ\$8m - \$9m)

- Further opportunity for EF redeployment to Auckland - replace with 15 new locos
- Best practice is to invest in new technology - continuing to prop up 1960's equipment inefficient and unsustainable

Total Longer Term Requirements (10 years)

- 30+ New Locomotives (NZ\$100m - \$120m)
- 1000+ Wagons (NZ\$80m - \$90m)

The industry is positioned at a CRITICAL decision point

Toll Fact Sheet

- Total employees - 2,862
- Working for best interests of NZ Inc.
- More than \$240m investment in the business since Oct 2003, despite poor returns:
 - Revenue ~\$725 Million per annum
 - EBIT ~\$62 Million per annum
 - ROCE ~10.7% across whole business
- Strong parent company which is committed to NZ and has rail management expertise
- Driving change in culture while maintaining strong relationships with stakeholders (including RMTU, MUNZ, etc)
- Responsible corporate citizen
- Major contributor to NZ economy
- Provided confidence and stability for customers to commit to rail
- Strong record of growth in rail sector in NZ
- Record of capital investment and innovation in NZ
- Creates right tension with least cost commercial focus
- Transport mode integration and enhanced logistics offering supporting rail
- IT development in NZ and leverage off existing developments in Australia

Toll NZ Skills Strategy

50 Locomotive Engineers completed training 2003 - 2007
30+ to be trained 2008 - 2008

Developing Career Pathways - NZQA Qualifications being developed:

- National Certificate Rail Operations Level 4 (All new LEs to complete)
31 successfully completed so far
- National Certificate Rail Operations Level 2 (Released Nov 2007)
- National Certificate Hospitality - Interislander
- National Certificate Train Managers - Wellington Metro
- Customer Service Tranzlink, Wellington Metro & Interislander

Apprenticeships to be increased in mechanical engineering
Partnerships with tertiary institutes to promote Toll employment

Induction to be reviewed and updated to support new starters and managers
Succession planning to be developed to identify new talent

Front Line Management

- Level 3 - 6 month pilot programme - New leaders
- Level 4 - 9 month programme - Team leaders (<5yrs experience)
- Level 5 - 10 month programme - Experienced leaders (>2yrs experience)

Performance Review process to be simplified and focus on personal development
Training system implemented to record and administrate training

Toll NZ Post Incident Drug Tests

Period	No of Tests	Positive for Illegal Substance	Percentage
Feb03-Dec03	19	3	16%
Jan04-Dec04	17	3	17%
Jan05-Dec05	26	4	15%
Jan06-Dec06	26	2	8%
Jan07-Oct07	34	3	10%

Toll NZ Drug Test Results since start of programme

- 2003 was Toll Rail only
- 2004 Toll Rail and Passenger only
- 2005 Toll Rail, Passenger and Tranzlink employees
- 2006 Toll Rail, Passenger and Tranzlink employees and owner drivers
- 2007 All Toll businesses

Toll NZ Pre-Employment Drug Tests

Period	No of Tests	Positive for Illegal Substance	Percentage
Jan02-Dec02	33	5	14%
Jan03-Dec03	32	4	12%
Jan04-Dec04	74	10	10%
Jan05-Dec05	57	8	8%
Jan06-Dec06	31	6	6%
Jan07-Oct07	34	3	8%

APPENDIX J


ONTRACK
New Zealand's National Rail

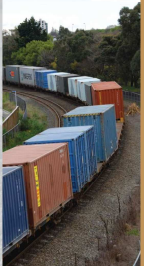
Setting the Transport Agenda

William Peet
Chief Executive, ONTRACK
Presentation to the Annual Conference of
the Rail and Maritime Transport Union

1

Setting the transport agenda


- 100 years ago - rail set the transport agenda
- Over the last 20 years, other modes have intervened
- The tide is now running again for rail
- My goal: put rail back on the transport agenda



2

In this presentation

- The changing environment works for rail
- Its implications for ONTRACK
- Where things stand at the moment
- The challenges ONTRACK faces
- Meeting those challenges
- The ONTRACK- RMTU relationship



3

The changing environment

- Rising fuel prices - rail four times more cost effective than road
- Climate change - reducing tolerance for carbon extravagance
- Highway congestion - limited scope for new roads
- Urban growth and congestion
- Rising freight volumes - expected to double by 2022
- Greater dependence on the transport supply chain
- Shipping industry consolidation - bigger ships, inland ports




4

Implications for ONTRACK

- Pressure to expand and improve urban rail services
- Economics of rail freight will improve
- Justification for greater investment in rail freight lines
- Expansion of rail corridor
- Incentive for replacement of major assets
- Incentive to invest in innovation and training



5

The current situation

- Continued growth in urban transport infrastructure
- In Auckland - \$1 billion on infrastructure upgrades - DART and Electrification
- In Wellington, \$200 million plus on the suburban network
- Limited improvements to the freight network
- BUT, the future of the freight network depends on Crown - Toll negotiations



6

Challenges we face

- Dealing with more extreme weather events
- Supply chain reliability will be more problematic
- Insufficient rail corridors
- Major assets need replacing
- The legacy of underinvestment remains
- Road transport and coastal shipping will fight hard
- We have to shake off the 'old technology' tag
- Rail cannot expect investment as of right
- Our workforce is ageing
- We are struggling to attract skilled workers
- We need to resolve structural issues

7

Meeting the challenge - more rail

- Innovate to create opportunities
- Advocate powerfully for rail
- Anticipate and meet demand
- Grow market share
- Increase axle loads, clearances and average speeds
- Right pricing, subsidies and regulation

8

Meeting the challenge - good value

- Productive people and assets
- Competitive on price and service
- Respected as a public good
- Deliver on 'green' promise
- Maximise opportunities

9

Meeting the challenge - strong relationships

- Great people to work with
- Great place to work
- Sustainable organisation
- Cement position of influence

10

Implications for the workforce

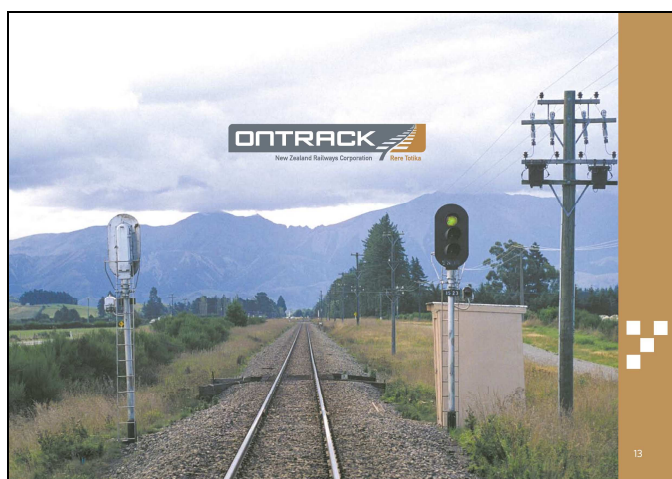
- Workloads are expanding rather than contracting
- We have serious skill shortages
- We need to improve workplace safety
- We need solutions to deal with retiring staff
- We need to apply new technology and innovation

11

ONTRACK - RMTU Relationship

- Relationship under strain for too long
- ONTRACK wants and needs a good relationship with staff and their union
- 'Building our Future' is a step to increase communication
- Process handled badly - you deserve better from us
- ONTRACK apologises
- Currently in mediation
- Must get resolved soon

12



13

APPENDIX K

Voice of the Customer - TOLL RAIL

- Reduce Turn around time
- Improve Quality & Reliability
- Reduce Cost (Hours & Materials)

This is will be achieved through a Continuous Improvement Program
The foundation of this being the 5S program & the key being input of our staff

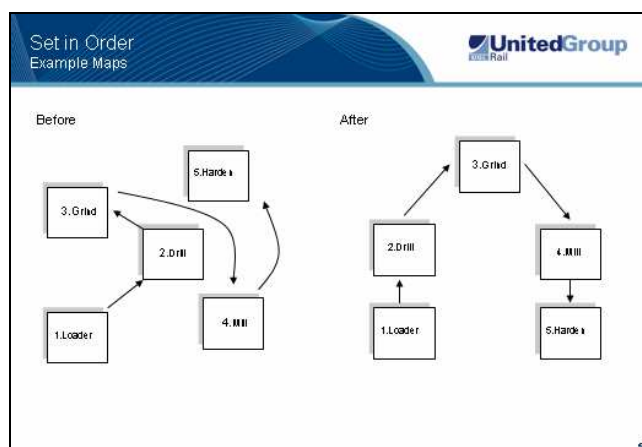
5S Program- to begin with

A lean 5S program is generally the first program to be implemented for continuous improvements as it is:

- It is Simple to understand
- Easy to implement
- Proven track record in industry
- Creates a culture of self motivated improvement

5S's
English "translation"

- **Sort:**
Clearing the work area, retain required items only
- **Set in Order:**
Optimise Process flow, Put items in their correct place
- **Shine:**
Keep the items and work area clean
- **Standardise:**
Everyone doing things the same way
- **Sustain:**
Ingraining the 5S's into the culture



The 5S's lead to

- Improved Environment, Health and Safety
- Improved Productivity
 - 10-15 % of time is normally spent in looking for parts or tools in industries
- Reduced set-up times
- Reduced cycle times
- Increased floor space
- Lower incident/accident rate
- Better equipment reliability (TPM)

"All this has been done before but ..."



- TRUE –
- It failed because there was not a "genuine" commitment or "management understanding" that it requires the shop floor staff as key stakeholders in the process.
- The difference now is we know this is the key and we have given this a priority
 - 3 dedicated staff to *coach and listen*
 - Funding to make changes
 - Management are accountable

5

Hutt workshop - 5S Logo



Judged as best logo by 5S Champions

9

5S Efforts Reports



Companies report 5S efforts have;

- Reduced needed shop floor space by up to 60%.
<http://www.mep.org/nationalaser.html>
- Reduced in-process times by up to 25%.
<http://www.mep.org/nationalaser.html>
- Increased inventory turns by up to 67%.
<http://www.nimsep.org/>
- Reduced inventory by up to 35%.
<http://www.nimsep.org/>

All – improved safety and sustainability

Organisations such as GE, Boeing, Toyota, Motorola, Goodyear and many others are currently benefiting from LEAN principals and have become market leaders – therefore a sustainable future

7

5S Champion



- 5S is a Shop floor driven, Management facilitated program.
- Co-ordinate and implement the program with full support from Process Engineering & Management of United Group and Toll.
- **So far we have 12 staff from the shop floor as our 5S Champions**
 - There is awareness and greater acceptance of program on the shop floor
 - Shop floor staff are involved in developing solutions and implementation
 - Champions are being guided and supported

10

Implementation



BULLETIN BOARD	
5S MONITORING : 	KPI's :
NEXT STEP : 	GENERAL :
Completion date :	

11

Cable Area Plant 3



12

Coil Refurbishment Area
Plant 3



Before



After



13

Electrical Shop-Expenditure & Payback



- Plant 3- Electrical shop has spent \$25K so far
- Material worth \$30 K has been sent back to Inventory
- Total estimated Expenditure 137 K including some capital expenditure (ID welder)
- Payback period on a conservative tangible savings is one year

14

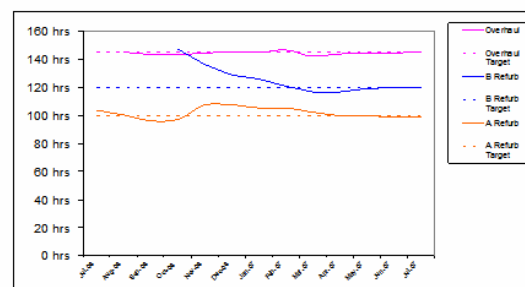
Electrical shop-Implementation



- Progress
- Training completed & 5S Champions are being coached
- Stage 1
 - Sort Completed
 - Set in order –nearing completion- 95% done
 - Shine –nearing completion- 90% done
 - Standardise –In Progress
 - Visual Kan-ban introduced in Coil refurbishment & parts area
- Stage 2
 - Sort –nearing completion- 90% done
 - Set in order –nearing completion- 80% done
 - Shine –nearing completion- 80% done
 - Standardise- To be implemented
- Stage 3 & 4
 - Sort Started

16

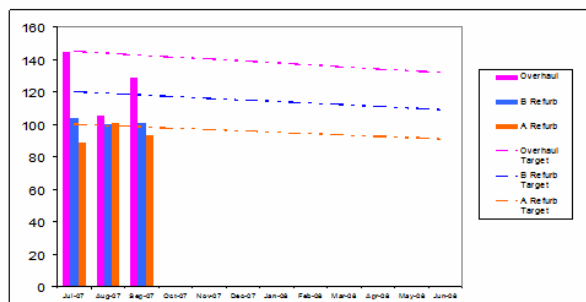
2006/7 Traction Motor Hours



This data is used to establish base line for improvements

16

Improvements- Electrical Shop



17

Locomotive shop-Implementation



- Progress
- General
 - Training completed & 5S Champions being coached
 - Bulletin Boards installed
 - Sort in Progress (75% completed)
 - Estimating Capital expenditure to improve area in progress
 - Areas of Improvements to reduce turn around time identified
- CDC/PDC Section
 - Sort- Completed
 - Set in Order –Completed
 - Shine – 50% done

18

Bogies Shop -Implementation



- Progress
 - Team Leaders training completed
- 5S Champion being coached
 - Group 2- Bulletin Boards installed in
 - Sort in Progress in all areas
 - Improved Process maps being implemented in
 - Compressor area
 - Shock Absorber's area
 - Set in order in Loco Bogies Area

19

Momentum starting at Shop Floor



- CDC/PDC area organised Sort, Set in order and Shine
- Loco Bogies area organised Sort, Set in order and Shine for part of their section
- Paint shop organised Sort, Set in order and Shine for their office area
- Bearing area Sort, Set in order
- Freight Bogies Section organised Sort and Set in order
- Compressor refurbishment organised Sort and Set in order
- Shock Absorbers section organising Sort and set in order
- This work was carried out by workers own initiatives without management prompting - Such initiatives are growing**

20

CDC/PDC Area
Locomotive Section

Before



After (no management input)



21

Loco Bogies Area
Locomotive Section

Before




After



22

Improvements Road map

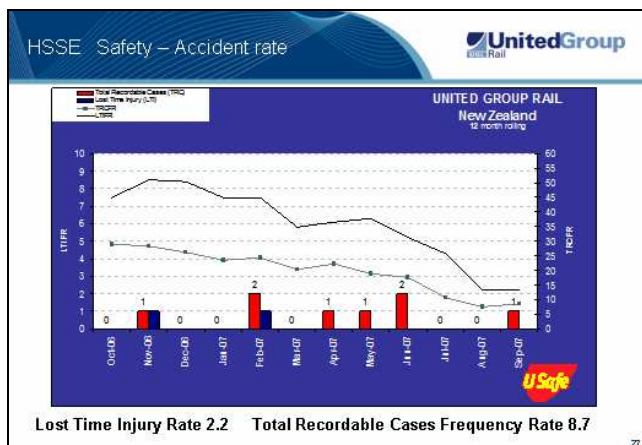


Month >>	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
5S Action >>	Train staff Loco Section, Select 5S champion		Sort		Set in Order					Shine			Standardise			
Methods Improvement	Capital Expenditure Estimate & Approval		Design, Develop Jigs Fixtures for volume manufacture and implement methods improvement Program													
Planning >>	Develop Concepts		Implement Planning Improvements- Short interval control Boards, Point of use issue of Materials Realistic Work load estimates													

Beyond 5S

Next level of Continuous improvement

- LEAN Program / Six Sigma
 - Methods Improvements
 - Process Capability Studies
 - Quality Assurance
 - Failure Analysis & Reliability
 - Supply Chain Planning- ERP systems



What does it mean for Toll

- Reduce Turn around time
- Improve Quality & Reliability
- Reduce Cost

Therefore adds to the ability to grow their business

What does it mean for UGL Rail

- A delighted customer
- Long term viability of contracts & profitability
- Building better communications and relationship with all staff

What does it mean for our work force



- A better - safer work environment
- A say in the workplace
- Long term security of jobs

31



APPENDIX L

Port Consolidation

We offer an extensive range of services through our nationwide coverage in 13 ports & 3 inland operations throughout New Zealand

- Marsden Point
- Auckland
- Mount Maunganui
 - Head Office
 - General Cargo
 - Log Marshalling
 - Mechanical Services
 - Ships Agency
 - Stevedoring Operations
- Tauranga
- Kinleith
- Murupara
- Gisborne
- Napier
- New Plymouth
- Nelson
- Picton
- Lyttelton
- Timaru
- Port Chalmers
- Tapanui
- Bluff
- Wellington

www.tollowens.co.nz



New Name Same Direction

Port Security

Logs of Mass-Destruction

www.tollowens.co.nz



Salaries v's Wages



Reserve Bank Act-Lunacy?



Traditional negotiations



Workers's view of Business



APPENDIX M**RMTU NATIONAL
CONFERENCE 2007****Communication –
How Does An Effective Union
Communicate?****RMTU NATIONAL CONFERENCE 2007
COMMUNICATION**

Effective communication is -

- Difficult
- should never be only one way
- requires listening and
- clearly stating a view, your view and/or our members views

**RMTU NATIONAL CONFERENCE 2007
COMMUNICATION**

Q. Who do we need to communicate with the most?

Q. How do we do that?

Q. What are the best ways of communicating?

**RMTU NATIONAL CONFERENCE 2007
COMMUNICATION**

Q. Why are well run meetings the best way to communicate with members?

**RMTU NATIONAL CONFERENCE 2007
COMMUNICATION****Union Meetings – Why?**

- inform workers
- report back on negotiations, campaigns etc
- seek information
- enable workers to participate
- involve workers in decision making
- get support or endorsement
- develop unity
- part of an organising campaign

**RMTU NATIONAL CONFERENCE 2007
COMMUNICATION****Union Meetings –**

Q. When?

Q. Levels?

A. Union - Nat Conf, Ports Forum, Branch, informal, sector, site, 1:1



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Effective meetings need...

- planning
- preparation
- an agenda
- agreed procedures and roles
- effective chairing
- participation by the people present
- decisions or outcomes
- allocation of tasks
- reporting back



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Union Meetings - Preparation

- What is its' purpose
- What needs to come out of it?
- Who needs to be there?
- When and where should it be held?
- How will we let people know about it?
- How long will it go for?
- What do we need for it?



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Meetings with Employers

Q. Types of meetings –

A. Bargaining, National H&S Exec, TOC, Consultative meetings, H&S, informal, disciplinary...



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Meetings –

- All need some or all of the handout elements, which include -
- Before – preparation, resources, timing
- During – strong chair, accurate minute taker, talking and listening – can't be done, equally talking and writing can't be done – listening and writing can
- After – minutes, follow up



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Recap –

- Union meetings are NOT a nice to have, they are essential.
- Union meetings are union organising
- The union office, paid staff, will fully support delegates with organising and running meetings
- Must plan prior, run a good meeting and follow up after the meeting.



RMTU NATIONAL CONFERENCE 2007 COMMUNICATION

Website –

- Current site
- New site
- Union v non union websites – avoid virtual unionism



RMTU NATIONAL CONFERENCE 2007 WORKSHOPS

Communicating with members –

Organise and Run a meeting explaining the upcoming bargaining process, it is not a remit meeting. For this meeting work through the stages

- before, plan and preparation
- during – strong chair, everyone has an opportunity to participate
- after – minutes and follow up



RMTU NATIONAL CONFERENCE 2007 WORK SHOP - RAIL

All Rail CA's are coming up in 2008

- organise a branch meeting (or delegates meeting)
- to include all rail members/delegates in the branch or nearby branches.



APPENDIX N

**THIRTEENTH REPORT OF THE NATIONAL MANAGEMENT
COMMITTEE
FOR PRESENTATION TO ANNUAL CONFERENCE
30, 31 October & 1 November 2007**

This is the thirteenth annual report of the National Management Committee and deals with the period from November 2006 to October 2007 and the financial year 1 July 2006 to 30 June 2007. The NMC takes great pleasure in welcoming you to YOUR annual delegates' conference so that we can all share in a celebration of the Unions successes during the last twelve months and to enable us to plan for the coming 12 months' successes which will be reported to Conference 2008.

As the NMC members are all newly elected we are only going to talk about our successes, as we have no failures. We just have challenges, set backs and opportunities. We have a lot to celebrate and feel proud about, as we have had another full and busy year. The number of employers we deal with has remained static as has the number of collective agreements that we administer and negotiate. With the "nil" growth in collective agreements including "national" collective agreements our costs associated with bargaining have remained at similar levels to last year despite our continuing endeavour to shift more of our cost of bargaining to employers. We continue to experience problems in utilising our loyal and hardworking key Branch officers/delegates as some of our employers are reluctant to pay wages for these guys to fix their own problems yet alone another company's problems.

THE UNION**Union Financial Management**

The National Management Committee has continued to adopt a cautious and prudent approach to financial management. Our objective has been to achieve a break-even result on the basis of our member subscription income supplemented by investment income on reserves. In the year ended 2006 the Union achieved an acceptable income over expenditure surplus of \$208,694.00 and this year (2007) National Office operations sustained a loss with branch investments pushing the National accounts into a reduced surplus of \$53,579.66.00 income over expenditure.

The Union has struggled to cope with a major increase in litigation with employers mainly within the rail sector who appear to believe that a litigious approach to the Union is the best way forward. In the last 12 months our legal costs have exceeded \$200,000.00. Personal grievances expenses for the financial year are up \$76152.00 on 05/06 expenditure.

The National Management Committee is taking a conservative approach to financial management by continuing a recent trend of limiting any Union subscription fee increase to an amount equal to the wage increase obtained for members employed within the Rail industry sector. Union staff wage increases are indexed to the rail sector and so internal costs go up proportionate with the industry

rate. Accordingly the NMC is seeking approval from this conference for a membership fee increase of 6% equal to the wages movement in the Toll/Connex CA.

A budget for the current year has been prepared to support the National Management Committee proposal and this will be discussed as a specific agenda item in conference. The budget without a membership fee increase is a deficit budget which is sustainable in the very short term. Unchanged the Union will have to take steps to balance cost to income like any other “business” must do.

The audited Financial Statements for the financial year 1 July 2006 to 30 June 2007 will be tabled and discussed during this conference.

Staff

The National Management Committee continues to benefit from having a committed and professional staff, both industrial and administrative. Workloads for staff continue to be high this year. Industrial staff are accomplished at undertaking “systematic visit” schedules of branches and as a consequence costs associated with branch visits remain high but the profile of the Union and support for delegates has also increased. Our accomplishment of these systematic visits may have caused us to lapse into a “servicing” approach to branches and so a greater focus will be applied to returning to a more focussed “Organising” approach to unionism. The RMTU has always been an adherent to the organising model of Unionism as it is the best way to organise and motivate members. Two additional organising staff have been employed on a full time basis during the year with an expectation of Union membership growth. This is not manifesting itself to date.

The Union continues to have considerable involvement in employer auditing and this task has essentially become another task for the industrial organisers to fulfil.

Conrad Jackson is an essential part of the Lyttelton office. Con provides excellent office support to Brian Cronin and is also the Lyttelton Port Branch secretary. Cons funding is a mix of National Office and Lyttelton Port Branch.

Brian Cronin is the South Island Organiser based in the Lyttelton Office. Brian has relinquished the National Returning officer position he previously held but retains the advocacy of ONTRACK core and the Engineering steering group role with Competenz. The benefits of having someone of Brian’s experience, abilities and knowledge working in the South Island position is plain for all to see year in year out. Brian has acted as Relief General Secretary during the year.

Julia Harrison is the National Office administration assistant and secretary to the Trustee’s of the LE SAD Fund. She has had another very busy year. An ever-increasing number of CA ballots, industrial council elections and other ballots all add to the workload. The Activist is Julia’s favourite publication and she looks forward to the copying, folding, labelling and franking of it for distribution. Despite all of these pressures Julia always remains cheerful and remains an invaluable member of the RMTU National Office team. Just how valuable is reinforced on the occasions when she goes on leave.

Leonie Stieller is the National Office administration manager. Leonie has done a marvellous job during the last year in ensuring that the administration systems are adequate to support the organising growth of the Union. Since last years Conference Leonie has reached a milestone of 21 years service with the Union. Her administration of the Union’s finances has been admirable as well as her prowess in curbing the General Secretary’s propensity for overspending. Leonie is a strong member of the Union’s leadership team. She has just returned from 5 weeks leave in Kefalonia in the Greek Islands.

The Union also utilises the services of Glimmer Consultants (better known as Edgar Spark) one day a week for database maintenance and special projects and Ian Jenkins provides additional administrative relief support when required.

Hazel Armstrong provides advice in the Health and Safety and ACC areas as required. Geoff Davenport (McBride, Davenport James) and Ben Thomson (Hazel Armstrong) provide legal/Industrial support for employment matters.

The Union pays for course study for staff members as professional development. A member of staff has attended a course that will benefit their careers and service to members during the year.

Henry Fagaiava was made a full time organiser during the year. He continues to grow in experience, confidence and commitment working in the Unions National Office. Henry is a co convenor of Komiti Pasifika and in this role attends the National Affiliate meetings of the CTU. During the year Henry negotiated his first Collective Agreements and is relishing the challenges posed by the job.

Kelvin Rush was also taken on as a full time organiser during the year. Kelvin also is growing in confidence and competency and is based in the Bay of Plenty and Auckland areas on a share time basis. Kelvin is yet to fully negotiate a Collective Agreement but will certainly take the lead in the forthcoming Toll Owens round. Kelvin has been leading the RMTU's engagement with Toll Owens in a Productivity Partnership programme sponsored and facilitated by the Dept of Labour. Kelvin is based in the Trade Union centre at the Mount.

Todd Valster is a valuable member of staff. His skills and abilities continue to evolve and he is held in high regard by officers, delegates and members within branches he has responsibility for. Todd has negotiated a number of collectives on good terms this year and remains the key Union support for RMTU delegates on the Toll Operating Council. Todd is also the designated RMTU D&A in house expert and is always willing to share his opinion on most matters at any time. Todd has acted up as Relief General Secretary during the year.

Scott Wilson is the Northern Organiser based in Westfield and continues to be a highly respected and feared (at least by employers) member of the RMTU industrial team. Scott works out of the Union office in Westfield which is provided by Toll NZ.

The National Management Committee would like to record their very sincere appreciation to staff for another productive year's work on behalf of the Union's members. Thanks to Scott, Leonie, Julia, Brian, Henry, Todd, Kelvin, Con and Wayne.

Training

In the last 12 months delegates and members have completed a range of training which includes:-

- ◆ RMTU Stage 1 – introductory delegate course
- ◆ RMTU Stage two “Collective Strength” – organising around bargaining
- ◆ CTU Training – Maori Network training, Pacific Island Fono training, Women's training, Women's Bi Annual Hui and Cross Union “skills” training.

Across all our current employers the union Employment Relations Education Leave (EREL) entitlement is 391 days for the July 07 – 08 year. The union advises employers of this entitlement on July 1st annually.

In the last 12 months 70 Health & Safety (Worksafe) Rep members have completed training, many of them on multiple levels. A recent review showed that most of these trained HS Reps are actively participating in H&S issues in their worksites. These levels of trained employees' participation in our transport industry workplaces are encouraging. In total 309 RMTU H&S Reps have been trained in a range of courses since this programme started. The leave entitlements for H&S training are separate from EREL entitlements.

The NMC policy is that new branch delegates are to receive basic delegate training within 90 days of National Office having been informed of their election.

The industrial organiser for the area is responsible for the training delivery with all other arrangements being handled out of National Office. Delegates who have been trained have also had to complete assessment forms and samples of these are available for the Dept of Labour for statistical purposes. .

The Union has also conducted specific IMP training in conjunction with employers who we have a partnership agreement with.

Recruitment

Last conference I reported that our membership was 3980 (full time) and 239 (casual) giving a total of 4219 and now we have 3891 (fulltime) and 226 (casual) giving a total of 4117. This is a decrease of 102 members or to put it another way decreased income of \$35695.92 incl GST per annum.

We are struggling to understand why we are experiencing a decrease in membership at a time when all industry employers are recruiting heavily and growing. United Group Limited is one company where our membership has taken a decided drop. The staff have been working on mapping exercises to identify trends and locations and these will be reported on and discussed during the workshop sessions of this conference. We believe that whilst we are maintaining strength and density within the operational areas we have sliding density within the clerical-admin type occupations. We must do better. We have mapped ONTRACK and this has identified gaps in our recruitment within this entity. We must do better.

We continue to use the Union's abbreviated title more in promotional and branded material and to expand into other areas/opportunities. We also use the Safety First logo almost exclusively. The Union has penetrated into new employer and employment areas during the year. Our attempts to unionise and organise Specialised Container Services was very expensive and too slow. The boss was able to just offer money to the workers and have us removed from most of the sites we had recruited within.

During the 2005 and again at the 2006 conference it was noted that we needed to recruit all rail industry workers into the RMTU. This work and philosophy has gone nowhere and we seem unable to recruit within the myriad of contractors used by ONTRACK like high rail services etc. We also seem unable to get members to buy into the need for the contractors to be recruited into the Union. Staff have been reminded of the need to look at the plethora of rail contractors that are springing up like "Rail Maintenance" and "Rail Weld" etc. All delegates need to get in behind this campaign and sign up members from any company that works within the rail industry. As we continue to negotiate better pay and conditions (including hours of work provisions/restrictions) for RMTU members we are merely creating more opportunities for the contractors to do the work as they are more "flexible" in that they work longer and for less than our guys and gals. If we are to prevent a growth in contracting out and out-sourcing within ONTRACK we simply MUST recruit these workers into the Union and negotiate them onto better pay and conditions.

During the year we continued to negotiate “no pass on” provisions into Good Faith bargaining framework documents as a precursor to bargaining and whilst this initially saw us have an increase in union density levels, as workers became aware that unless they are in the Union they will not receive the negotiated wages increase negotiated, it has waned with time.

Ports Forum continues to recognise that the same can be said for Ports. We should be looking to recruit all workers into the Union who work within the wharf gates irrespective of the employer. We also need to build upon this by centralising bargaining within a port but that is in another section of this report. Since the amalgamation with MUNZ broke down we have experienced an approach being made to our members by a MUNZ official trying to poach RMTU members into MUNZ. This is unacceptable behaviour but perhaps illustrates as to why the talks were eventually unsuccessful.

There continues to be pockets of non-union workers in our industries that we ALL need to focus on recruiting. Any of the paid staff will tell you of a story of going to an RMTU worksite and finding a non-union worker and the look of shock on the delegates face at hearing this and the inevitable answer of “*I thought you were a member*”. **DON'T ASSUME – ALWAYS ASK TO SEE THE RMTU MEMBERSHIP CARD OR THEIR PAY DOCKET WITH A UNION FEE DEDUCTION!**

We need to remember that whilst it is important to have a Union presence it is essential to have a strong and effective union so as to deliver power and influence in the workplace. The only way of doing this is by having high-density levels of Union membership and activation of members. It is essential that those activist delegates who have undertaken advanced organising training utilise the skills taught by applying the techniques learned back at the workplace. The key to a strong and effective Union is not just membership - it is in the level of activity undertaken by delegates on behalf of members and the members' levels of involvement.

We continue to come under real pressure from non union stevedoring companies or greater use of labour hires entering our port's industry and port companies contracting out or entering into joint venture companies to try and undermine Union contract conditions. Employers are constantly using commercial tactics as a way of undermining our work.

We must endeavour to continue to unionise and organise all new workers onto the waterfront. Our port branches remain active with Port Nelson, Lyttelton, Westgate, Prime Port and Port of Tauranga doing good work in signing up these new workers. The Napier Port Branch have also had great success in recruiting casuals during the year and getting increasing numbers moved from casual to permanent 24's and from perm 24's to perm 40's.

Remember: “It is not possible to become stronger and smaller at the same time” – Howard Stern

Communications

The Union's website www.rmtunion.org.nz is being utilised at record levels. The website has been upgraded as planned (at least that's what we are promised as this is being written). We have very good website statistic info and this shows that it is being heavily “hit”. Some of this may be attributable to the fact we continue to use the website as a means of communication with members during bargaining. All documents are placed onto the website and members advised that they are there as and when it is appropriate to publish them.

The website contains links for all publications, press releases and “Hot Topics” or anything else we can think of. We are able now to directly edit the website and this has removed the delay in the

material appearing on the site. The website has become a very important part of the Unions communication strategy with the members and the rest of the world.

The Union has an 1800mb monthly broadband plan. We are managing to live within this bandwidth most times. To assist though we ask members to desist from sending the same email to all the staff, as we have to pay to download it to each recipient. We also ask members not to send us jokes or cartoon pictures as this also needlessly uses up bandwidth. Definitely no pornography is to be sent to any union staff member using the unions' computer equipment as the recipient is immediately in breach of the Union's pornography policy as soon as they view the item. We have not installed any form of mail marshal program to date but it is currently under consideration.

During the year we deactivated the "chat groups" that had been formed to enable communication to occur within branches and specific sectors of the Union's membership. These included the following groups:-

- ◆ Loco board
- ◆ Capital board
- ◆ City of sails board
- ◆ RMTU Ports
- ◆ RMTU Women

One group was heavily used and provided a sometimes valuable tool for gauging member opinion on issues. Other groups were not active. The main stimulus for deactivating the chat groups was the exposure to defamation claims for site content. Members were passing materials to managers and recipients of negative comment. We received a strongly written litigation threat from Toll NZ and upon seeking legal advice were advised that we had considerable risk. NMC considered this and found it to be at an unacceptable level to member interest and so the groups have been removed from RMTU sponsorship.

Our regular newsletter "The Activist" which is sent to all RMTU officials and delegates either by post or email is a very important means of ensuring that key members are kept fully informed of current issues and Union activity. We no longer send out the entire document, owing to our use of broadband maxing out continuously, we normally just send the website publications link. While we have the occasional controversy or legal threat about some of the contributions to the Activist it is generally regarded as "a bloody good read". Distribution is mostly by email but for those delegates who we have no email address for we mail out a hard copy. Some delegates fail to post the Activist on notice boards. It is very amusing to go into a manager's office and notice a copy of the activist on their desk or on their sideboard.

Notice boards are an important focus for Union information including the place where *the Activist* should be posted. It has been noted that there are still some worksites that do not have Union notice. New plastic signs are available for branches to place on these notice boards with the Union's name as are small plastic holders for publications that can be affixed to the walls below or beside the notice boards for things like The Activist, Transport Worker, Delegate's Handbook, Policy Manual, Delegates H&S Handbook and Union Rulebook etc. We also have suppliers we use for notice boards.

"The Transport Worker" magazine continues to play an important role in portraying the Union in action and encouraging members to identify with the Union through the regular use of photographs and branch reports. It is our pinnacle publication and involves the greatest cost of production.

Telephone communication with National Office remains an important communication channel for both delegates and members. We have tried to limit this to some extent by encouraging members to contact their delegate and local officials for information and advice so that the burden of telephone calls to the National and regional Offices is reduced but this has only been partially successful. The General Secretary and Industrial Officers certainly try to give priority to being available for delegates and branch officials to discuss issues and provide advice and the National Management Committee is well aware that systematic regular workplace visits by Industrial Officers are important to many members. All industrial staff have developed systematic visiting schedules so that members and delegates can be confident of the days/dates that a visit by a paid staffer will occur. All industrial and H&S staff have cell phones. All Union vehicles have car phones for H&S reasons.

A considerable amount of the Unions income (\$28925.00 this year - \$29,019.71 in 06) is spent on communication in one form or another.

The Hutt branch produces a newsletter called "*Off The Tracks*". The Newsletter is produced on the basis that it is vetted by National Office before distribution. In December 2006 an issue was distributed to members without being approved by National Office. An article in it stated that a company manager was "*a Bully, a thug and if rumours are correct a thief*". The manager concerned initiated Defamation proceedings against the RMTU and Phil Bosworth. The Union defended the proceedings vigorously and the matter has now been settled. The Hutt Branch have been reminded that no issue of the branch newsletter is to be distributed without sanction by National Office and specifically the General Secretary.

Accommodation

The Union's National Office has been working out of level 1 of the Tramways building 1 Thorndon Quay all year. The premises are shared with Hazel Armstrong Law and the Railway Superannuitants.

The Lyttelton Office continues to be based within the port. The office has 2 full-time staff working out of it. Its long-term future is insecure. The office has had a further landline provided for Brian and is on jet stream – 600mb connection.

The Auckland Office is based at Toll NZ Ltd's Westfield terminal on a rent-free basis. We also have a telephone and fax line provided at no cost. The Union owns a computer and leases a photocopier/printer/scanner for the office. Scott Wilson has a laptop computer and printer supplied.

The Union has an office in the MUNZ Mount Maunganui offices and this is used by Kelvin Rush. We gratefully acknowledge the generosity of the MUNZ Mount branch in allowing this to occur. Alternative office space is being investigated with ONTRACK in the Mount.

The Union has company supplied Union offices in a number of branches and this support is appreciated by the Union.

Branches

The Management Committee would like to once again acknowledge the very important work undertaken by our honorary branch officials and delegates. The fact that we continue to have a ready supply of keen members who are prepared to spend their free time and devote their energies in assisting with issues arising in relation to their colleagues daily working lives is a tribute to the type of person who is a member of our Union. Branches have little difficulty in filling vacant positions at the Annual General Meetings and this is a sure sign that the Union is in good hands/heart. The

honorary officials and delegates are the backbone of our Union and their active participation is the key to our organised industrial strength. The best way of ensuring that we do not suffer from delegate burnout is to have more than one delegate per worksite and provide them with training for the task. Organisers are required to undertake systematic branch-mapping exercises to ensure that all sectors and sites within their branch responsibilities have full delegate coverage.

The incentivising & recruitment “rewards policy” for new members of branches continues. The programme provides that for each new full time member signed up by a branch his or her branch account is credited \$10.00. This also sees funds distributed to “active” branches and should assist with any funding problems that these branches suffer from time to time. It is acknowledged that active branches go through funds. Where funds are exhausted owing to branches being active the General Secretary has authorisation to approve additional funds to be allocated to those branches. During conference NMC would be interested in obtaining feedback from delegates as to whether there is any merit in possibly converting the branch bounty for member sign up’s to the individual who does the member signup. This may sharpen the focus for individuals and delegates and so feedback is requested on the “idea”.

The fundamental platform of being a national Union built upon a branch structure foundation is unchanged. This reflects their (branches) importance in ensuring that we continue to provide power and influence to members at a workplace level. In order to be successful we absolutely must have effective and powerful branches with active and committed members. Some branches (mainly the rail branches) which have their skills base locked into one or two key figures continue to struggle in the new environment as their employer is most reluctant to provide paid work time for them to go off and fix another company’s issues with members. This is why we have to ensure that every worksite or sector has effective delegate(s) within a branch. This will be accomplished by having members and delegates stepping forward and by us providing appropriate training. We have to ensure that branches work effectively.

We note that some branches do not hold regular meetings. As branches are the foundation cornerstone of the RMTU’s structures this is of concern. Increasingly we are finding that members and matters are coming directly to the Union organisers without having gone through a local delegate first. A focus of the coming twelve months will be to reinvigorate branches into holding regular meetings so that members can air their issues.

Bargaining

The Union has a number of Collective Agreements which all require resourcing at negotiation time. Some are of a short duration (12 months) and an increasing number are of a longer duration (24 months etc). Many employers have more than one CA for example Port of Napier has 3 collectives, Lyttelton has two. The employers with which we have Collectives include:-

- | | |
|------------------------------|------------------------------------|
| ◆ C3 Limited | ◆ CentrePort Ltd |
| ◆ Cityline Hutt Valley Ltd | ◆ Halls Refrigerated Transport Ltd |
| ◆ Lyttelton Port Company Ltd | ◆ North Tugz |
| ◆ ONTRACK (2) | ◆ Owens Services - Northland |
| ◆ Port Marlborough (NZ) Ltd | ◆ Port Nelson Ltd |
| ◆ Port of Napier Ltd | ◆ Port of Tauranga Ltd |
| ◆ Port Otago Ltd | ◆ Port Taranaki Ltd |
| ◆ Prime Port Timaru Ltd | ◆ San-I-Pak |
| ◆ Southport (NZ) Ltd | ◆ Stagecoach Wellington |
| ◆ Taieri Gorge Railway | ◆ Toll NZ Consolidated Limited |
| ◆ United Group Rail NZ Ltd | ◆ Veolia Transport Auckland Ltd |

During the year we have continued to get employers paying more of the costs for their employees who are Union negotiators involved in the bargaining. The employer pays for the travel, wages, venue and food costs. Utilising the “No pass on” provisions of the amendments to the Employment Relations Act has continued to get employer agreement to limit any settlement to Union members. Once the deal is achieved subject to ratification the report back meetings/tour are at employer cost. All of these initiatives significantly reduce the Union cost of bargaining. Unfortunately judge made law has eroded the effectiveness of the “no pass on” during the year.

Competition between ports is still intense as it is right throughout the transport industry, reductions in charges and working ships with “*maximum* intensity” are the constant demand of shippers as they play port off against port and as a consequence costs (and conditions) are continually under attack. As with any industry where the wage bill is one of the biggest components, this means employer claw back attempts have not ceased. What has changed however is our ability to resist change unless it is on our terms. Almost all Port Employment Agreements are currently being settled with good movements in wages and Port members have generally done very well during the year. Some settlements were well timed with us being able to do very good deals based on projections and expectations only then to have major drop off’s in shipping activity. Toll/Veolia is an illustration of this type of arrangement.

During the year we negotiated and settled our first collective agreement with Specialised Container Services Timaru. We are experiencing difficulty though in migrating the settlement to other locations as the employer has successfully induced the new members to leave the Union.

We have 39 employers covering our Union’s membership.

Other Union Picket Actions

During the year members have not become mixed up in too many other Union’s pickets or industrial actions. Members have however attended other union pickets in demonstrations of solidarity and such membership involvement will continue to be encouraged. We have also had delegates from worksites and Unions undertaking strike action visit our meetings looking for support. This is a fundamental of unionism.

A documented legal response is available for members to recite if caught in this position at any time in the future. The Unions advice remains that members must not cross picket lines before seeking advice from a paid Union staffer.

National Management Committee Meetings

The National Management Committee has held 4 formal meetings during the course of the 12 months following last Conference.

The composition of the NMC comprises President Jim Kelly, Vice Pres Ian Wilkie, Gen Sec Wayne Butson, Phil Bosworth, Aubrey Wilkinson, Wally Wallbutton, Tim Spence and last but by no means least Ruth Blakeley. During the year the NMC have been robust forums for debate at times. This is healthy and we would have it no other way. NMC has provided excellent leadership to the Union and members can feel proud in their selection of the incumbents.

Nominations were called for all NMC positions in August 2007 and we have three positions elected unopposed with the incumbents’ continuing. These are Tim Spence, Aubrey Wilkinson and Ruth Blakeley. Three other positions are up for ballot with 2 candidates for 2 positions and 3 candidates for one position.

2006 conference determined that the honoraria for Vice president should increase to \$1360.00. 2005 conference set the Presidents at \$3000.00. 2006 Conference paid all members of NMC honoraria of \$1,000.00 (where they do not pick up a Union honoraria elsewhere - for example a branch). These have all been paid.

IEA Members

The Union continues to provide services to members on Individual Agreements mainly in Toll NZ. IEA members are serviced by full-time union staff thereby ensuring the confidentiality of service deals with any issues arising. During the year we have seen an increase in the number of members wishing to return to coverage by the CEA. There is some employer hostility to this occurring.

Health & Safety

The NMC records with profound sadness that one union member was killed during the last twelve months as the result of a workplace accident. Sean Smith was killed at Ohinewai whilst working as a member of a rail recovery operation using EWR wagons. There are currently investigations being carried out by the NZ Police, Dept of Labour and TAIC. The Union has retained two Barristers using the indemnity provisions of the CEA – 1 for the Toll LE's and 1 for the ONTRACK workers. ONTRACK convened a joint working party to look at communication issues relating to the operation of the EWR wagons.

The HASIE Act provides for paid training for H&S reps and to date (1st of January 2007-September 07) we have placed 122 delegates onto the register for training. The CTU announced nationally upon the launch of the initiative that they wished 10,000 to be trained within the first year. They easily achieved this and the RMTU has the one of the highest member to H&S delegate ratio of any other Union in NZ with 294 fully trained to stage 1 level. We have experienced delays in training to stage 2 level within Toll NZ owing to their desire for a tailored training package but they are now underway. We have had some difficulty in getting everyone released by his or her employer and we have had a lot of withdrawals initiated by employers. Nevertheless we are making good progress in achieving a solid base of trained H&S reps within our companies. The reps are making their presence felt with a number of "improvement Notices" issued to date.

Land Transport New Zealand conducted a review of the role of the rail section and the Union was a consulted party to this review. The National Rail Safety System (NRSS) continues to operate. There are two levels of membership and the Union remains as a level B member of the NRSS despite our call to be a level A member.

TAIC have continued to conduct investigations into rail accidents and incidents during the year. Most have been submitted on by the RMTU prior to publication and our concerns have been addressed by TAIC. The Union has a good working relationship with this Government Agency. On a couple of recent reports we believe that TAIC has strayed very close to crossing the line on apportioning blame in a report which they are specifically prohibited from doing so under the legislation. In a couple of recent reports we have challenged their findings or pointed out omissions in the investigation reports. One report remains subject to a court injunction prohibiting publication.

Hazel Armstrong with her wealth of knowledge on H&S issues is a valuable resource for the Union in the fight to improve H&S for RMTU members in all areas.

Henry has been allocated the oversight responsibility for the H&S portfolio.

Accident Injury Services

The Union partnered Injury Management Programme continues to be well accepted and implemented in Toll NZ. The UGL IMP manual has been revamped and reissued to all rail delegates. We are experiencing difficulties in getting full participation within UGL and ONTRACK for a partnership approach to IMP.

The Management Committee believes that it is accepted that IMP is beneficial both for the employer and for the injured employee but it is vital that we remain focussed on the critical role which the delegate plays as the advocate for the injured member in ensuring that the negotiated return to work arrangements are acceptable and fair. Return to work arrangements should not be implemented on behalf of any Union member until they have been signed off in writing by the Union delegate as being agreed by and acceptable to the injured Union member.

The Union continues to offer members advice and support with ACC claims. Organisers deal with the issues as far as they can (sometimes to review hearing level) but legal backup is provided where required. A number of cases have been referred to Hazel Armstrong and her team and our success rate has been very good. During the year we have made use of the free CTU/ACC Advocacy Service.

COUNCIL OF TRADE UNIONS

The RMTU continues to be affiliated to the NZ Council of Trade Unions. Under the CTU structure the RMTU has direct representation on the National Affiliates Council and the General Secretary has represented the RMTU at meetings during the year. Sam Kahui continues as our delegate to the CTU Runanga and Henry Fagaiava is a Co-convenor of Komiti Pasifika.

The CTU has an ACC advocacy service in Auckland that is available for Union members and it is free.

Ross Wilson finishes as President at this CTU Conference and Helen Kelly is the President elect. Ross and Helen have assisted the RMTU during the year on various matters. The Current Vice president is Helen Kelly and the VP elect is Richard Wagstaff from the PSA. The current Secretary is Carol Beaumont and she has been re-elected for a further term.

The National Affiliates Council continues to grow in size as more Unions join the CTU fold. A notable addition this year was the Soccer Players association joining with their rep to NAC being a Bell Gully lawyer.

The CTU has been very active in submitting on legislation and this has consequently placed a heavy workload on affiliates to attend workgroups that are used to formulate the CTU's position on bills or issues.

CTU Communications Officer Sam Huggard has provided assistance with Press Releases from time to time. The RMTU continues to obtain very tangible benefits and gains from being affiliated to the CTU and the NMC strongly recommends to Conference that we remain as an affiliate.

The RMTU was represented by Jim Kelly, Wayne Butson, Ruth Blakeley, Sam Kahui and Henry Fagaiava at the 2007 CTU Conference. During Conference a function was held to farewell Ross Wilson which was attended by a huge number of NZ's movers and shakers which is illustrative of the immense respect that Ross has earned over the years as a tireless toiler for working men and women in this country.

CTU – Prime Minister Forums

During the year the CTU and Government continued with the rounds of meetings in main centres where Unionists and Ministers of Government could meet and air gripes and exchange views. These forums have been very successful with excellent turnouts. The RMTU has been well represented at most of the forums and have played a leading role at some. The RMTU has met with several cabinet ministers during the year on a range of topics that illustrates the excellent relations that we have with the Labour Led Government.

COUNCILS

During the twelve months the Toll Rail sector council has continued to evolve and is now functioning in a meaningful way with providing a forum for operational issues within the Rail sector to be. The ONTRACK Infrastructure Industrial Council has ceased to operate owing to good faith breaches by the company and our delegates to the council being disenchanted with the forums. United Group Rail industrial Council continues to meet regularly. Veolia Council also operates. These councils are specifically tasked with an industrial or bargaining focus.

The Councils comprise elected rank and file delegates with RMTU staff support. Employers bear all costs associated with the operation of the councils and they provide a valuable opportunity for member engagement with employer.

AMALGAMATION

Meetings were held during the year in efforts to finalise an agreed foundation on which an amalgamation between MUNZ and RMTU could be achieved. We held a Joint Ports Forum which we believe was very successful in illustrating the synergies that exist between the rank and file members of the two Unions. The principle of and the need for the amalgamation to occur still prevails but sadly it is not to be. Paul Goulter and Paddy Crumlin did an excellent job in getting us as far as we did in facilitating the meetings and their assistance is gratefully acknowledged.

An informal approach has been made to the NZ merchant Services Guild to see if there is any desire on looking for efficiency and cost gains by merging the two Unions.

TE KUPENGA MAHI

The network does appear to be waning in support and activism around the country. This waning of activity and support nationally is a great tragedy and we need to be mindful of how we can provide support and advice.

The Tangihana Insurance remains in place for some time through Axa Insurance and the NZ Railways Staff Welfare Trust.

LEGAL RESERVE FUND

The Union continues to provide for a legal reserve fund within the investment portfolio of the Union as required by the resolution of the inaugural Conference of the Union. The purpose of the fund is to provide for the defence of members, staff, or the Union in major union proceedings. The fund is further protected by the provision of Indemnity Insurance of the Union.

INDUSTRY TRAINING

The Union continues to emphasise the importance of industry training with employers and others and endeavours to secure an involvement in industry training within the transport industry. Brian Cronin is our designated Skills Training guru. Don Farr is promoting “learning Reps” in a CTU position. A number of Ports now have learning reps and are the leaders in this initiative.

The country is still suffering from a skills shortage in most trades based occupations.

This year has seen a continuation of the increase in numbers of apprentices employed by employers we deal with.

PERSONAL GRIEVANCES AND LEGAL SERVICES

2006/2007 has been an extremely very busy year for all forms of litigation.

We have experienced a dramatic increase in legal expenditure during the financial year. A couple of cases were very complex and expensive to mount. The most high profile was the case Kurene vs. UGL. Kasia was dismissed on 23 December 2006 for an offence she never committed. The irony is that after all of the money spent she was voluntarily reinstated permanently by the employer and the Employment Authority decision did not order it merely recorded her voluntary reinstatement. We remain arguing over costs.

During the year the Union had to defend itself from a defamation claim made against the Union and a NMC member for comments made in a branch newsletter. Whilst our success rate is excellent the cost has been high in both time and dollars. A study of the years financial statement will disclose the expenditure incurred. The current high level of litigation shows no abating.

Our success rate is attributable in no small part to the calibre of staff we have employed as well as the excellent legal back up we have through McBride Davenport James partner Geoff Davenport and Hazel Armstrong Law.

INTERNATIONAL

International Transport Workers' Federation

The International Transport Workers' Federation (ITF) is an international trade union federation of transport workers' unions. Any independent trade union with members in the transport industry is eligible for membership of the ITF. 624 unions representing 4,400,000 transport workers in 142 countries are members of the ITF. It is one of several Global Federation Unions allied with the International Confederation of Free Trade Unions (ICFTU). The ITF's headquarters is located in

London and it has offices in Nairobi, Ouagadougou, Tokyo, New Delhi, Rio de Janeiro, Georgetown, Moscow and Brussels. The RMTU has continued its affiliation with the International Transport Workers Federation and we participate, to the extent that we can, in ITF activities. The RMTU is the largest NZ affiliate in member affiliation numbers. The General Secretary Wayne Butson is currently the New Zealand ITF Affiliates Convenor. The ITF Asia Pacific regional conference was held in Tokyo Japan in May 2007 and the General Secretary attended at ITF cost as the NZ country convenor and addressed the meeting with a country report. The General Secretary is a vice chair of the Asia Pacific Railway section.

The aims of the ITF are set out in its Constitution (see below). They are:

- ◆ to promote respect for trade union and human rights worldwide
- ◆ to work for peace based on social justice and economic progress
- ◆ to help its affiliated unions defend the interests of their members
- ◆ to provide research and information services to its affiliates
- ◆ to provide general assistance to transport workers in difficulty

Although the range of ITF activities is very wide, they can be best summed up under three key headings:

- ◆ representation
- ◆ information
- ◆ practical solidarity

The ITF represents the interests of transport workers' unions in bodies which take decisions affecting jobs, employment conditions or safety in the transport industry, such as the International Labour Organisation (ILO), the International Maritime Organisation (IMO) and the International Civil Aviation Organisation (ICAO).

A major function of the ITF is informing and advising unions about developments in the transport industry in other countries or regions of the world. The ITF also maintains a specialist education department, dedicated to the development of strong and democratic transport unions.

The ITF organises international solidarity when transport unions in one country are in conflict with employers or government and need direct help from unions in other countries.

The kind of solidarity needed can range from protest messages, demonstrations and political pressure, to direct industrial action in the form of strikes, boycotts etc. The ITF's worldwide campaign in the maritime industry against the use by ship owners of Flags of Convenience (FOC's) to escape from national laws and national unions is a good example of solidarity. Kathy Whelan is the NZ FOC Co-ordinator.

Transport Unions globally must unite to combat the burgeoning strength of multi national employers.

Paddy Crumlin (National Secretary MUA) is a member of the ITF executive board. The MUA, TWU and RTBU are all affiliates to the ITF.

ARA (Australasian Railway Association)

The Union is an associate member of this association. The association is predominantly a lobby group of Australian rail companies to develop industry standards. Dr Murray King who sits on the

ARA executive heads the NZ chapter. Toll NZ is a member as is ONTRACK, Veolia and United Group.

JREU (East Japan Railway Workers Union) and JRU

The close fraternal relationship with the JREU and JRU has continued during the year. The President and General Secretary attended the 20th Anniversary Congress of the JREU 1-4 July 2007. The visit was funded by the JREU and is illustrative of the strong fraternal bond between the Unions.

Reciprocal use of holiday homes has been agreed between the two Unions and the NZ Railways Staff Welfare Trust.

RTBU (Rail Tram and Bus Union) Australia

The RMTU continues to have a close fraternal working relationship with the RTBU. Robert Hayden is the National Secretary. The RTBU have been very helpful to the RMTU during the year with information sharing and assistance. This is gratefully acknowledged and received.

Reciprocal use of holiday homes has been agreed between the two Unions and the NZ Railways Staff Welfare Trust.

ICLS (International Centre for Labour Solidarity)

The International Centre for Labour Solidarity (ICLS) is a network for exchanging experiences, discussion on future strategies, building substantial and spiritual solidarity and of extending support to each other in overcoming problems struggles faced by workers and trade unions:

- ◆ ICLS opposes imperialist globalisation imposed by large multinational corporations, governments and international multilateral institutions. ICLS is pursuing working class interests and is strongly against competition and division caused by neo-liberalism.
- ◆ ICLS is against competition, oppression and environmental destruction which are caused by capitalist domination. ICLS is against war which is a different face of neo-liberal globalization and capitalist domination. ICLS participates in various international solidarity activities of social movements, exploring ways to resist it.
- ◆ ICLS respects diversity. ICLS works toward developing international workers' solidarity beyond the differences in politics, faiths, nationalities, regions, political parties and industries by starting from strengthening workers' solidarity in the railway, transport and public service sectors in the Asia-Pacific region.
- ◆ ICLS is a network pursuing solidarity and exchange of experiences based on respect for each country and organization independence and autonomy.
- ◆ ICLS is composed of trade unions who accept the ICLS Charter of Principles, however, ICLS opens all its activities to other regions, individuals and organisations that are not members and welcome them to join its activities to enlarge solidarity and exchange of experiences.

The General Secretary was elected to the ICLS steering committee in 2005 as the Australia-NZ rep. The arrangement is that if the GS cannot attend then the RTBU GS attends and if he is unavailable then it is RMTU rep or RTBU rep. Transport and accommodation costs are paid by the ICLS. A steering Committee meeting was held in Manila, Philippines April 17 2007 and Todd Valster attended owing to the unavailability of both the RMTU and RTBU General Secretaries. An ICLS Labour Forum meeting was held in Bangkok Thailand October 4-6 2007 and Ruth Blakeley attended to represent RMTU. Members of ICLS include;

- ◆ Japan - (Japan Confederation of Railway Workers' Unions, East Japan Railway Workers' Union, JR-Hokkaido Union, JR-Freight Union, JR-West Union, JR-Tokai Union, JR-Kyushu Union)
- ◆ Korea - (Korea Railway Workers' Union, Seoul Subway Labour Union, Seoul Metropolitan Rapid Transit Workers' Union, Pusan Subway Labour Union, Incheon Subway Labour Union, Deagu Subway Labour Union)
- ◆ Philippine Railway Workers' Union
- ◆ Taiwan Railway Workers Union
The State Railway Workers' Union of Thailand
- ◆ Rail Tram and Bus Union of Australia

TWU (Transport Workers Union) Australia

Whilst the road transport organising project was the basis for our relationship forming and this project has ended we maintain fraternal relations with the TWU. Wayne Forno shall attend this conference as our guest from the TWU NSW Branch.

MUA (Maritime Union of Australia)

The Union continues to have a strong fraternal relationship with the MUA. The GS attended the MUA executive meeting on 10 October 2007. Asst National Secretary Rick Newlyn will attend this conference as our guest and address members.

RMT (Rail & Maritime Transport Union of Great Britain)

The Union developed a fraternal relationship with the RMT during the year when an invitation was accepted to attend their National Conference in Edinburgh Scotland in June 2007. The GS and the Vice President Ian Wilkie attended the conference.

ACTU (Australian Council of Trade Unions)

During the year 3 rank and file delegates (Buzz Terrey, Robert Ferguson and Wayne Ritchie), 2 NMC (Ruth Blakeley and Wally Wallbutton) and 4 staff (Todd Valster, Brian Cronin, Kelvin Rush and Henry Fagaiava) attended the 4th Australian Organising Conference in Sydney. A total of 9 representatives. This conference is an inspirational event and is of immense value to those who attend.

WORKERS MEMORIAL DAY 2007

The Union continues to promote the observance of the one-minute national stoppage of work in silence by our members throughout the country in solidarity with similar action taken by millions of other workers around the world as part of the International Confederation of Free Trade Unions (ICFTU) observance activity for 28 April.

This year the general Secretary attended a service at Port of Tauranga and Hutt Shops. Other RMTU sponsored or supported services occurred at other locations throughout NZ but we still feel that the RMTU membership could do better.

The President attended a service at the memorial site in Dunedin.

Branches are encouraged to continue to establish memorials or to clean up existing memorials to workers killed within the battlefield of the workplace in their area and the ultimate objective remains to have memorials and commemoration services each year in all locations.

POLITICAL

In accordance with the policy adopted last year the Union has affiliated to the NZ Labour Party. Mike Smith the party General Secretary will address delegates to this conference.

Legislation

The Union has submitted on a number of items of proposed legislation in Parliament. The Union has also participated in a number of forums hosted by the NZCTU to develop joint submissions on draft legislation. The Union has also appeared before a select committee hearing during the year.

BENEFITS OF MEMBERSHIP

NZ Railways Staff Welfare Trust

The Board operates under and in accordance with the trust deed for the fund. The board comprises 4 RMTU reps. It is recommended that Wayne Butson, Brian Cronin, Sam Kahui together with Ian Jenkins as a superannuitants rep, be confirmed as the Union reps on the board for 2007/08.

RMTU Port members continue to be able to enjoy Group C membership of the Society at a reasonably nominal cost which enables them to take advantage of the extensive holiday housing network owned by the Society throughout New Zealand. There is room for improvement here though with only approximately 180 of our 600 port members signed on.

The board has deals that enable international fraternal Union members to use the larger complexes facilities where a caretaker is based on-site (i.e. Paihia, Orewa, Mount Maunganui, Rotorua, and Queenstown). Visitors must be able to speak English. International visitors will have full linen and cleaning service that will be reflected in the price charged. A positive spin-off of this arrangement has meant that domestic visitors now have a cleaning service option if they wish to pay.

Chris Ball is manager of the trust. Chris will be addressing delegates at this conference on the Trust.

Locomotive Engineers' Trust Fund

The Union trustees are Peter Manson, Wally Wallbutton and Wayne Butson. We acknowledge their contributions to the trust. It is customary for conference to renew/endorse the appointments.

To date the uptake of new locomotive engineers into the fund has been poor. Roy Cowley the Board Chair will report to delegates during a trust fund session at conference.

Julia Harrison is secretary to the trustees and the Management Committee would like to acknowledge her work and the work of the Union Trustees during the year.

NZ Harbours Superannuation Plan

This Union promoted but jointly managed industry superannuation plan continues to provide a vehicle for employees of Port Companies to participate in an employer subsidised superannuation scheme with current assets of more than 50 million dollars under management. The fund is controlled by four employer Trustees, four Union Trustees and an independent Chairperson (David

Stevens). The four Union Trustees are John Murfitt, Andrew MacFarlane, Peter Clemens and Roy Cowley. It is recommended that this representation continue.

During the year the plan initiated a KiwiSaver compliant scheme for members.

Some branches have complained at the low performance of the Plan. The Lyttelton Port branch has written to the administrators complaining. Members will no doubt question the trustee's who will address conference.

Leonie Stieller continues as Secretary to the Trustees and the Management Committee would like to once again acknowledge her work and the work of the Union Trustees during the year.

CONCLUSION

This has been another very productive year for the Union. The Union is meeting the needs of its members and is being administered and operated competently.

APPENDIX O

RIGHT TO REFUSE UNSAFE WORK

Ben Thompson, solicitor
For RMTU 2007 Conference

Safe Workplaces – Legal Duties

- Under the Health and Safety in Employment Act, the primary responsibility is upon employers to take all practicable steps to ensure a healthy and safe workplace (section 6).
- Additionally, the HSE Act also places a duty on employees to take all practicable steps to ensure their own safety, and that of their colleagues (section 19).
- One tool which the law provides is the right to refuse unsafe work.

Legal Framework

Health and Safety in Employment Act – key provisions and key concepts:

- Section 28A – Employees may refuse to perform work likely to cause serious harm
 - ‘Serious harm’
 - ‘Significant Hazards’
 - Materially increased risk
 - The role of the health and safety representative
 - Duty to undertake other tasks
 - Concept of Good faith
 - Disputes – ‘Employment relationship problem’

Legal Framework

- Employment Relations Act – section 84 – lawful strikes and lockouts on grounds of safety or health

Case Study

Darbyshire v PPCS Ltd - May 2007

- Notification
- Consultation
- Evidence of materially increased risk

HSE Act – section 28A: ‘serious harm’

Work may be refused if employee believes that it is likely to cause **serious harm**.

- Serious harm is very serious. Includes:
 - Permanent loss of bodily function, or severe temporary loss of bodily function,
 - Amputation,
 - Loss of consciousness,
 - Any harm causing hospitalisation for 48 hours or more.
- Includes both mental and physical injury

HSE Act – section 28A: Significant Hazards

- Serious harm is caused by *significant hazards*
- Concept of 'hazard' is very broad, includes:
 - Activities, e.g. welding,
 - Arrangements, e.g. shift roster,
 - Circumstances, e.g. working alone,
 - Behaviour – physical/mental fatigue, drugs/alcohol, affecting a person's behaviour

HSE Act – section 28A: Materially Increased Risk

- Law recognises some occupations involve an understood level of risk
- Has to be a materially increased risk beyond the understood risk involved with the particular task

HSE Act – section 28A: Process

After the initial refusal to work, an employee may continue to refuse the work if:

- The issue is taken to the employer, as soon as practicable; and
- The matter is not resolved; and
- The employee has reasonable grounds for believing that continuing to work would cause serious harm

HSE Act – section 28A: Reasonable Grounds

- The law allows an employee to make this decision on his or her own.
- However, the law envisages that the employee would seek advice from a health and safety representative (although this is not required)

HSE Act – section 28A: Role of the health and safety rep

- If requested, the health and safety rep must assess the risk and advise the employee whether a risk of serious harm is likely.
- The health and safety rep can make a recommendation to the employer, in relation to the specific hazard in question. The employer must then either adopt the recommendation, or set out in writing reasons for not adopting it.
- A trained health and safety representative can issue a hazard notice.

HSE Act – section 28A: Other tasks

If an employee refuses to do unsafe work, the employee remain under an obligation to do other tasks within his/her job description, whilst a solution to the problem is being sought.

HSE Act – section 28A: Good faith

- Section 28A explicitly imports 'good faith' into the right to refuse unsafe work.
- Good faith defined in section 4 of the ER Act. Among other things, requires employers to be active, constructive and responsive in relation to hazards in the workplace.

HSE Act – section 28A: 'Employment Relationship Problem'

- If the matter is not resolved in the workplace, section 28A confirms it becomes an 'employment relationship problem'.
- Triggers dispute resolution process set out in the ER Act.
- Process for seeking mediation – emphasis on parties finding their own solution.
- If this fails, the next step is the Employment Relations Authority (as per a PG)

ER Act – the right to strike

- Section 84- it is lawful to strike over health and safety
- must be able to show it is justified on health and safety grounds

Case Study:

Darbyshire v PPCS Ltd - May 2007

- Employment Relations Authority case, involving 2 meat workers.
- The employer decided to phase out water lubrication of the band saws, replacing with dry sawing and other processes
- Consultation process throughout 2006. The 2 workers were aware of the changes since at least December 2006.

Case Study:

Darbyshire v PPCS Ltd - May 2007

- Men first refused work on 8 January 2007.
- Did not follow process – i.e. did not inform employer of health and safety concerns as soon as practicable.
- Health and safety raised by the union in a subsequent meeting on 11 January.
- This failure was held against the workers, by the Employment Relations Authority.

Case Study:

Darbyshire v PPCS Ltd - May 2007

- In preparation for the Authority hearing, employer obtained evidence as to the risks involved in dry sawing:
 - DoL: although there was an increased risk, it was not considered to be a 'material increase'
 - Skilled/experienced sawmen: dry sawing may in fact be safer.
- Evidence unchallenged by the 2 workers.
- Authority found that, although the workers' belief was genuinely held, there was no material increase in the risk.

Conclusion

- Although the primary duty to provide a safe workplace rests with employers, employees also have a duty to take all practicable steps to ensure their own safety.
- In many situations, this will amount to a duty to refuse unsafe work.
- The legal framework protects workers who refuse to undertake unsafe work.
- The legal framework also provides support for employees, through trained health and safety reps.

APPENDIX P**What is Maritime New Zealand?**

- Statutory body responsible for safety, security and environmental protection in the marine environment.
- Responsible for health and safety in the maritime workplace.
- Government regulator and representative for maritime matters.



MARITIME
NEW ZEALAND

What is Maritime New Zealand's relationship to the RMTU?

- Health and safety for stevedoring activities on ships.
- Safety of New Zealand commercial ships (ISM and SSM).
- Port state inspections on foreign flagged ships.
- Audit of service providers.
- Licensing of seafarers.
- Maritime investigations.



MARITIME
NEW ZEALAND

**How does this affect me?**

- Stevedoring "Operations Afloat".
- FishSAFE initiatives.
- Cook Strait Forum.
- Safe Ship Management.
- International lobbying for safety improvements.



MARITIME
NEW ZEALAND

But these are just words, what are you going to do about my safety from your ivory tower in Wellington?



MARITIME
NEW ZEALAND

Operations Afloat

- Aim to have standard safety guidelines in place nationally for stevedoring
- Training and induction requirements.
- Auditing.
- Hazard identification.
- Fatigue and drugs and alcohol management.



MARITIME
NEW ZEALAND

FishSAFE

- Industry initiative.
- Standard training in safety systems.
- FishSAFE passport for crew.
- Mentor system nationally.
- ACC levy reduction for accredited employers.



MARITIME
NEW ZEALAND

Cook Strait Forum

- Safety initiatives actioned.
- Development of training/auditing for crews.
- Navigational aids enhanced.
- Management of ferry/recreational boating safety.
- Drug and alcohol standards.
- Dialogue between all interested parties.



MARITIME
NEW ZEALAND

Safe Ship Management

- Minimum safety standards for ships and crew.
- Inspection standards.
- Auditing of systems onboard.
- Auditing of SSM companies.



MARITIME
NEW ZEALAND



International lobbying

- Safety standards for shipboard cranes.
- Passenger ship safety.
- Barge lighting.
- "We punch above our weight".



MARITIME
NEW ZEALAND

But we never see you! Where do we contact you if we need to?

- North Island offices:
 - Whangarei
 - Auckland
 - Tauranga
 - Napier
 - New Plymouth
 - Wellington.



MARITIME
NEW ZEALAND

- South Island offices:

- Picton
- Nelson
- Lyttelton
- Dunedin
- Bluff.



MARITIME
NEW ZEALAND

Yeah right! Give me
some examples
where you have
been in my
workplace?



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND



 **MARITIME**
NEW ZEALAND

And the future?

- Review of SSM delivery.
- Review of licensing services.
- Development of compliance policy for Maritime New Zealand.



Ok – that's
enough of me
– what's your
view?



APPENDIX Q


OPERATIONS AFLOAT
RMTU Conference
1 November 2007


Reducing Injuries in the Stevedore Industry

Lynn Irving
Health & Safety
Co-ordinator (External)

**Stevedore Health and Safety - "on Board"**

Since 1 May 2003, Maritime New Zealand has been responsible for co-ordination of health and safety on all commercial ships in port and at sea through:

- Education
- Inspection
- Monitoring
- Enforcement

**Stevedore Health and Safety "on Board"**

How safe are Stevedoring operations?
(as reported to MNZ)

- 112 injuries since 1994 to June 2007.
- 71 serious.
- 38 minor (under reported).
- 3 fatalities (Shinano Reefer, Golden Akane and Pacific Quest).
- ACC – 165 claims 2006/2007.

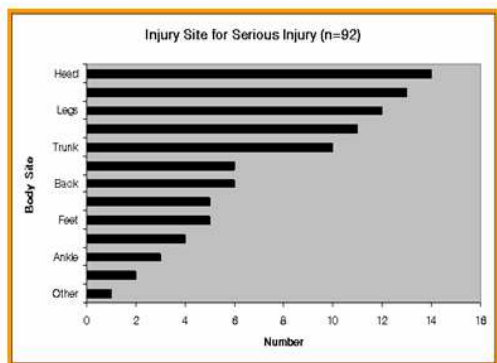
**Operations Afloat project goal**

- To reduce injuries in the stevedore workforce, when working aboard ships.

**Key Drivers**

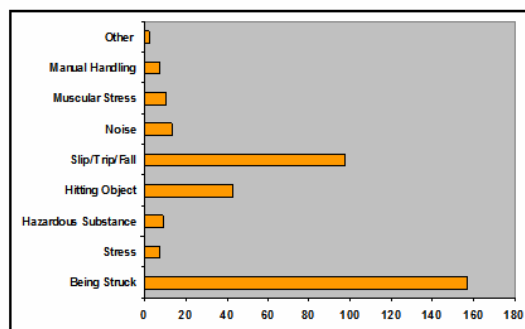
- High rates of injuries.
- Inconsistent recognition of a safety culture across the industry.



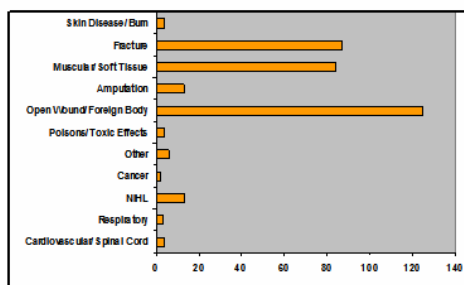


MARITIME
NEW ZEALAND

Main Causes of Stevedore injuries 2000 – 2006 (DoL) n=345



Types of injuries to Stevedores 2000-2006 (DoL) n=345



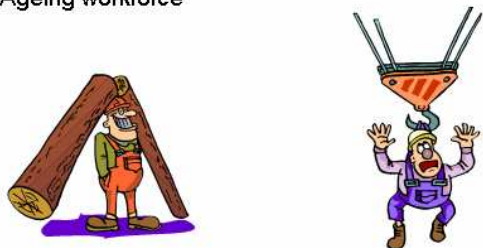
Why do these injuries happen?

- Highly competitive 24/7 industry.
- Time pressure to load ships.
- Hazardous work place.



MARITIME
NEW ZEALAND

- Unknown work site
- Casual work force (migratory and on call)
- Alcohol & Drugs
- Ageing workforce



MARITIME
NEW ZEALAND

- Incorrect weight of containers
- Discharging fish
- Lack of reporting
- On board communication
- Irregular hours

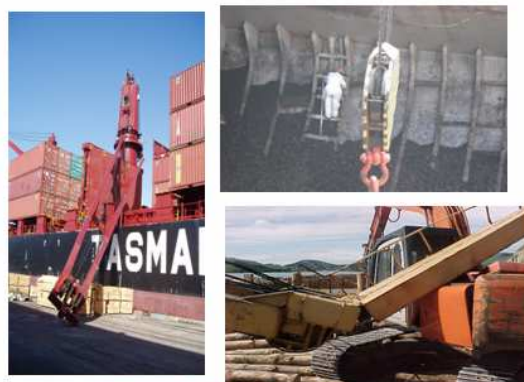


MARITIME
NEW ZEALAND

- Detection of faulty gear
- Need for "Good housekeeping"
- Condition of vessels



MARITIME
NEW ZEALAND



MARITIME
NEW ZEALAND

Stevedoring Safety

Requires:

- Commitment from all parties (employers, employees, and shippers).
- Recognition that change is required.
- Facilitation and administration.
- Appropriate Training.
- Development of a Safety Culture.



Safe Lashing



Project Progress

- Initial Stakeholder meeting, 24 July.
- 26 attendees from a broad representation of the industry.
- Steering Group established.



Committee Comprises

- 3 Stevedoring & Ports Assn. NZ.
- 1 "other employers".
- 1 National Ports H&S Forum.
- 2 Unions (RMTU/MUNZ).
- 1 Shipping NZ/Shipping Federation.
- 1 each DoL & ACC.
- 3 MNZ.
- First Steering Committee meeting 22 August.



Committee meeting 22 August 2007

- Stevedore & Ports Assn agreed to collect stevedore injury data from each Port for the previous 12 months.
- Maritime New Zealand to investigate "Alert" links.
- Investigate a request for MNZ to have jurisdiction for the work area "in the shadow of the crane".



Meeting 31 October

- ToR confirmed
- DoL now represented
- Injury data to EMA by 30/11/07
- Vessel safety issues – comms & pre-check sheet
- Cargo handling guidelines - critical incident debriefs
- Next meeting 4 February 2008



Thank you for your attention! Questions?



APPENDIX R**RMTU H and S Reps**

Hazel Armstrong
Status Report
October 2007

RMTU H and S Status Report

- Accessed CTU H and S data base and RMTU H and S reps data base
- Compared the two – only looked at current union members
- Snap shot in October 2007

Purpose of review

- To ascertain numbers of RMTU H and S reps trained at each level of the CTU programme
- Ensure all H and S reps are registered with the CTU web site
- To identify who needs to be followed up because they have withdrawn from attending multiple courses that have been offered
- To identify gaps where H and S reps need to be elected

Survey of H and S Reps

- Qualitative not quantitative
- Effectiveness when dealing with H and S
- Support needed
- Challenges faced
- Results not yet collated

NZCTU H and S Rep Training

- 3 stages of H and S training are offered by the NZCTU
- Stage 1 – is introductory H and S Rep training
- A trained H and S Rep receives a copy of the HSE Act and a course book
- Has the legal ability to issue a hazard notice
- Stage 2 – CTU and Toll offer a customised course for Toll's H and S reps
- Stage 3 – is the most advanced course offered by CTU

Entitlement to H and S Rep training

- HSE Act provides for 2 days paid leave to attend training each year
- No course fees to attend
- Must register with CTU to be invited (RMTU ought to register the H and S Reps through the Worksafe reps web site)
- Can be deactivated by CTU
- CTU needs a minimum of 15 reps per course

Deactivation

- Deactivation occurs because:
- multiple withdrawals without reasonable explanation to CTU
- Can be reinstated if email CTU with reasons for withdrawals

Stage 1	235
Stages 1 and 2	101
Stages 1, 2 and 3	22

Attended Stage 1 H & S Training	235
Awaiting Stage 1 training	32
Not entered into CTU system for training	136
Deactivated by CTU before receiving Stage 1 training	15
Total H & S Reps on RMTU data base	418

Employer	HAS 1	HAS 1, 2	HAS 1, 2, 3	Not registered with CTU	Reps with 2+ withdrawals	Total number of RMTU members
Connorsport	1	1				46
Lynnhaven	17	Stage 2 not offered?		1	1 deactivated after stage 1, 1 before stage 1	155
Northport				2		10
Marlborough			1	5		34
Nelson	2- only one action map	1- none if still a map		4	1- deactivated after stage 1	89
Napier	3	1		7	1 deactivated after stage 1	103
Taranaki	4	2		2	1 deactivated after stage 1, 1 before stage 1	70
Onge	4	3	1	1	1 deactivated after stage 1	48
Taranaki				7		57
Primeport Timaru	4	2	1	3	2 deactivated before stage 1	109
Southport	1	1		1		10

Employer	HAS 1	HAS 1, 2	HAS 1, 2, 3	Not registered with CTU	Reps with 2+ withdrawals	Total number of RMTU members
Ontrack & Ontrack Infrastructure	47	25	9	23	7 deactivated	584
Interisland Line	12	3			4 deactivated	91
Toll NZ	65	27			4 deactivated	608
Toll Consolidated	23	10	2	47	2 deactivated	608
Toll Rail	7	3	2		1 deactivated	608
UGR	11	6	1	17	4 deactivated	349
Veolia (Connex)	10	4	2	4	4 deactivated	188

Any Questions?

- Monica O'Connell from CTU can answer administrative questions
- Hazel Armstrong can answer questions about course content

APPENDIX S



Presentation by Hazel Armstrong about ACC

- RMTU has always had an interest in ACC
- Workers face health and safety risks at work
- workers are injured and require compensation, treatment and rehabilitation

Workers Memorial Day

RAIL WORKERS MEMORIAL

This site is dedicated to rail workers who were killed or seriously injured working on this site and at other locations throughout Canterbury.

Their sacrifice performing their duties is remembered by all who worked beside them.

28 April 1996



What does the RMTU offer its members

- **ACCIDENT COMPENSATION** - RMTU officials will assist you with your claim if you are injured or suffer occupational disease, and will negotiate return to work arrangements for you. Legal representation will be provided where necessary.
- **HEALTH AND SAFETY** - RMTU officials will help you monitor workplace conditions and will provide you with expert information and advice on issues affecting your health and safety at work.

National's Plan for ACC

- To provide employers with choice of insurer for work injury
- National implies that lower premiums will result from competition
- National says, insurers will assist with accident prevention, active case management and early rehabilitation
- They will act on this policy quickly



RMTU Conference

- RMTU delegates should be aware of why National's policy on ACC is not suited to NZ workers
- In the stroke of a pen a National Government could send us back to the bad old days!

What used to happen to injured workers? Abject working conditions and Charity

- Working conditions in New Zealand during the 1800's was worse than the UK and some states of Australia
- If injured, workers had to sue for compensation
- Employers, the Courts and the law made it difficult for workers to succeed in litigation
- Injured workers and their families relied on charity



"Blood on the Coal"

- 1896 - a gas explosion kills 65 miners in the Brunner mine
- Leaving 39 widows, 192 children and elderly affected
- A significant disaster in NZ's history



1896, Brunner Mine Cemetery Museum

The Brunner Mine Disaster

- The families took civil action against the British mine owners
- The Mine owners closed the mine putting the rest of miners out of work
- The community was split



The Settlement

- Successful claimants received 75 pounds and paid legal fees of 50 pounds
- The community saw litigation as a flawed process



God's own country

- Premier Dick Seddon oversaw the Workers Compensation Act 1900 to provide compensation for all industrial workers
- Basic compensation offered, employers required to insure their employees



The memory of WW1

- 45% of NZ men of military age served
- 16,688 killed
- Many wounded



WW1 – the plight of the returned soldiers

- Little preparation for rehabilitation of returned soldiers
- War pensions for disabled veterans below the basic wage
- Hardship for widows and orphans



Return of WW11 soldiers

- Many returning soldiers ended up in Parliament after WW11
- These men did not want a repeat of the hardship for the wounded and their families after WW1
- They wanted a better NZ for the working man and woman



The Woodhouse Commission

- Politicians who served in WW11 understood the need to rehabilitate and compensate people who were injured. They applied this understanding to those who were injured at work
- In 1966 A Royal Commission was set up to consider compensation for personal injury from any cause
- A bold proposal was put forward
- Replacing a fragmented and unfair response to a social problem
- National Party Minister Tom Shand said - the community must protect all its citizens, and
- compensation must be more generous, full and fitting

The ACC scheme

Politicians on both sides of the House agreed to these five founding principles for a scheme to manage personal injury:

- Community responsibility
- Comprehensive entitlement
- Complete rehabilitation
- Real compensation
- Administrative efficiency

ACC established

- The ACC Act passed in 1972
- Came into effect 1974
- Objective to get injured people back into productive employment and to become useful members of society
- Compulsory levies paid to a state agency- ACC - to arrange for treatment and rehabilitation and to pay compensation
- For all those injured by accident or occupational disease

The social contract

- NZers gave up their right to sue for damages arising out of injury caused by negligence
- A trade off – a social bargain
- A proud scheme formed from “blood on the coal”, our experiences after WW1 and an understanding of the need for the community to look after injured people.

National gets elected in 1990



Mr Birch's night mare

- The interests of private insurers were promoted
- "choice" for employers to privately insure their workers
- The work capacity test introduced to limit liability
- Injured workers disadvantaged
- If deemed fit to work in one job for 30 hours regardless of job availability, compensation ceased
- Rehabilitation was limited by regulation
- Lump sums removed
- The work account was privatised in 1998/9



1999 – Labour led Government

- State run scheme immediately restored
- Lump sums reinstated
- But work capacity testing remained
- Injury prevention now the prime goal for ACC
- Employers allowed to contract with ACC to provide entitlements to injured employees in return for a reduced levy- the accredited employer programme



What happened:

Neil lost the use of his legs after being hit by a forklift



ACC covered:

Emergency helicopter, hospital stays, income support, house alterations, travel and accommodation for family member, wheelchair and other equipment, physio, attendant care, car and modifications, career assessments and guiding, job re-training, lump sum payment for continuing impairment

The accredited employer scheme

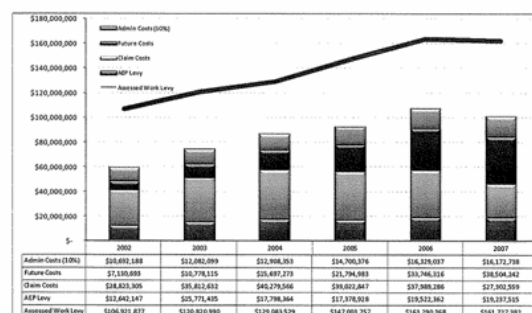
- Accredited employers contract with ACC to manage work related personal injury claims, provide entitlements and pay certain costs
- Relationship is a contractual one between ACC and the employer (unions, employees, and third party administrators are not party to the contract)
- 150 accredited employers of whom 70% use third party administrators to manage claims on their behalf e.g. WellINZ, Aon, Catalyst.
- Toll and UGR are accredited employers

The accredited employer scheme

- The accredited employer performs the functions of ACC
- ACC audits the employer however, few sanctions applied by ACC for audit failures
10 out of 150 accredited employers demonstrate ongoing poor compliance
- ACC provides a levy reduction to accredited employers

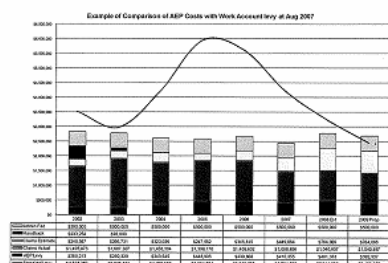
Accredited employers save overall \$60m by being in the accredited employer scheme

All Full Self Cover Employers



However, any single employer in the AEP scheme can pay out more than an employer paying ACC premiums

Single Large Full Self Cover Employer



Rehabilitation

- ACC out performs accredited employers for the first 6 months after date of injury
- At the 6 month mark the return to work rates are similar

Accredited Employer Review Findings

- Unions insufficiently involved in accredited employer scheme
- ACC not providing sufficient assistance to AEP employers to perform better
- Need for Tripartite overview

How would the National Party's policies impact on RTMU members?

- Make it harder to get cover and entitlements? National limited entitlements e.g. access to aids and appliances
- Would National reduce entitlements? (lump sums removed by National in 1992)
- Less money spent on Health and Safety rep training? (National stopped paying for H and S rep training in 1992)

The Future

- RTMU well placed to improve the existing ACC scheme
- Enhance the role of unions in the AEP scheme
- Improve rehabilitation outcomes for injured workers (especially those with hearing loss!!)
- Extend the scheme to cover more injured workers e.g. occupational disease, trauma induced injury
- Maintain funding of H and S rep training

