

Rail & Maritime Transport Union
“Organising for Unity & Strength”

2nd Biennial Conference
&
20th Delegates’ Conference



1/3 November 2016

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BIENNIAL CONFERENCE ATTENDEES

NZ Police College, Porirua – 1/3 November 2016

NATIONAL MANAGEMENT COMMITTEE

NATIONAL PRESIDENT
 NATIONAL VICE-PRESIDENT & CENTRAL RAIL REP
 GENERAL SECRETARY
 GENERAL REPRESENTATIVE
 NORTH ISLAND PORTS REPRESENTATIVE
 SOUTH ISLAND PORTS REPRESENTATIVE
 SOUTH ISLAND RAIL REPRESENTATIVE
 WOMEN'S REPRESENTATIVE

WILKINSON, Aubrey
 PHILLIPS, Howard
 BUTSON, Wayne
 SWEENEY, Bill
 MARDEN, Dave
 KELLY, Andy
 WILLIAMS Mike
 BLAKELEY, Ruth

DELEGATES

AUCKLAND RAIL
 BAY OF PLENTY PORT
 BAY OF PLENTY RAIL
 CHRISTCHURCH RAIL
 HAWKES BAY PORT
 HUTT WORKSHOPS
 LYTTTELTON PORT
 MARLBOROUGH PORT
 MARLBOROUGH RAIL
 NELSON PORT
 NORTHLAND PORT
 NORTHLAND RAIL
 OTAGO RAIL
 PALMERSTON NORTH
 PORT CHALMERS
 SOUTHLAND RAIL
 TARANAKI PORT
 TIMARU PORT
 TIMARU RAIL
 WAIKATO RAIL
 WELLINGTON PORT
 WELLINGTON RAIL

STIRLING, Paul
 COONEY, Craig
 McNAE, Shane
 JAMES, Luke
 TAANA, Phil
 CARTER, Myles
 DYER, Steve
 HERBERT, Grant
 HAKAKI, Tania
 WELLS-O'DONOGHUE, Ann
 MATHEWSON, Craig
 BARR, Alby
 SAXTON, Cory
 DAVIDSON, Craig
 CRICHTON, Alastair
 BEDGGOOD, Adam
 MANU, Dan
 YOUNG, Naylor
 BLAKIE, Doug
 GUILD, Chace
 NEWMAN, Jason
 TE POU, Mel

OBSERVERS

AUCKLAND RAIL
 AUCKLAND RAIL
 AUCKLAND RAIL – Women's Rep
 BAY OF PLENTY PORT – Women's Rep
 BAY OF PLENTY RAIL – Women's Rep
 BOP PORT
 BOP RAIL
 CHRISTCHURCH RAIL – Women's Rep
 HAWKES BAY PORT – Women's Rep
 HAWKES BAY RAIL
 LYTTTELTON – Women's Rep
 LYTTTELTON PORT

MARSHALL, Stuart
 PAHIVA, Sam
 PIHEMA-HAURAKI, Gina
 WALKER, Christina
 RANUI, Allana
 BROWN, Nate
 LANIGAN, William
 JONES, Bernie
 MUIR, Roz
 GIBSON, Joe
 BYSTERVELD, Polly
 COLLINS, Laurie

LYTTELTON PORT
LYTTELTON PORT
MARLBOROUGH RAIL – Women's Rep
NELSON – Women's Rep
OTAGO RAIL
OTAGO RAIL – Women's Rep
PALMERSTON NORTH
PALMERSTON NORTH – Women's Rep
PORT CHALMERS – Women's Rep
TARANAKI PORT
TIMARU PORT
WAIKATO RAIL – Women's Rep
WELLINGTON PORT
WELLINGTON RAIL
WELLINGTON RAIL – Women's Rep
WEST COAST RAIL

NZ CTU

NZCTU KOMITI PASIFICA REP
NZCTU OUT @ WORK REP
NZCTU RUNANGA REP
NZCTU WOMENS REP
NZCTU YOUTH REP

RMTU

ADMINISTRATION ASSISTANT
ADMINISTRATION OFFICER
HEALTH & SAFETY ORGANISER
INDUSTRIAL ORGANISER
INDUSTRIAL ORGANISER
INDUSTRIAL ORGANISER
INDUSTRIAL ORGANISER

INTERNATIONAL GUESTS

WHELAN, Mick
CALFE, Dave
BRADLEY, Hugh
McMAHON, Keith
WOOLAMS, Dave
PASCOE, Brian

VISITORS

STREET, Maryan
COWIE, Garth
DAVIE, Peter
STEVENS, David
McALPINE, Rob
ROSS, Christine
BALL, Chris
HUGGARD, Sam
LITTLE, Andrew
LEES-GALLOWAY, Iain
MORONEY, Sue
TWYFORD, Phil

LOCKTON, Luke
SHRIMPTON, Mike
HARAKI, Tania
WELLS-O'DONOGHUE, Ann
KEARNS, David
TUTTY, Pat
GOODIN, Ben
DAVIDSON, Craig
SHERER, Jane
MAINDONALD, Biggles
CADIGAN, Murray
BROWN, Debbie
SHARROCK, Colin
INNES, Gary
GRIFFIN, Jenny
QUENAULT, Jeff

TE POU, Mel
SIREN, Malcolm
BROWN, Ray
FISIIHOI, Christine
LEGGETT, Campbell

HARRISON, Julia
STIELLER, Leonie
FLETCHER, Karen
JOHNSTONE, Stu
KERR, John
SPANSWICK, Phil
VALSTER, Todd

ASLEF
ASLEF
ASLEF
RTBU
RTBU
RMT

KiwiRail Ltd
Port of Napier Ltd
Lyttelton Port
Ports retirement Plan
KiwiRail Ltd
UnionAid
Railways Staff Welfare Trust
NZCTU Secretary
NZ Labour Party
NZ Labour Party
NZ Labour Party
NZ Labour Party

**MINUTES OF 2nd BIENNIAL CONFERENCE
and 20th DELEGATES' CONFERENCE
HELD AT THE POLICE COLLEGE, WELLINGTON – 1/3 NOVEMBER 2016**

DAY 1 Tuesday 1 November 2016

WOMEN'S WORKSHOP

The Women's Workshop opened with a Karakia and Ruth Blakeley, as chairperson welcomed all Delegates and then declared the meeting open.

All delegates introduced themselves and gave brief descriptions of where they worked and what they did.

1. Maryan Street was welcomed to the workshop.

She introduced herself and her background and gave the women a rundown on her work prior to being appointed to her current position with KiwiRail.

She focussed on the following bullet points:-

- High Performance/High Engagement Strategy
- Drug & Alcohol Policy
- Industrial Councils
- Management Behaviour
- Hutt Workshop
- Leadership Courses
- Problems of being in a high-powered role.

After the conclusion of her talk, Bernie Jones thanked Maryan for her input and presented her with a gift of appreciation.

Maryan emphasised Helen Kelly's word - "be kind to each other".

2. Notices of Motion

- 2.1 It was resolved that this Women's Workshop moves that for all Collective Agreements that the Rail & Maritime Transport Union negotiates, that the Living Wage be the minimum starting point as a wage rate.
Moved/Seconded: Jones/Sherer Carried
- 2.2 It was resolved that the Women of the Rail & Maritime Transport Union move that on the year after each Biennial Conference that the RMTU Helen Kelly Women in Leadership Training be run in conjunction with Ports Forums.
Moved/Seconded: Tutty/Blakeley Carried
- 2.3 It was resolved that the Women's Workshop move to change the "Mutual Respect Policy" (Appendix 3 of Policy Manual 2011)
"What is Unacceptable Behaviour?
Unacceptable behaviour includes unwelcome physical, verbal or non-verbal conduct "*(bullying)*" including the use of email, "*social media and any other electronic communications*" any behaviour that ridicules, intimidates, or is physically abusive.
Moved/Seconded: Blakeley/Te Pou Carried

3. **Steering Committee**
 - Conference call 1st Thursday of the month 1300hrs run from National Office Phone hook-up system.
 - Call for Agenda Items 1 week prior, reminder 1 day before call.
 - 1/1 Person identified from each area
 - Areas to nominate person to be on call, if nominated person cannot be on call - they organise a replacement.
 - Auckland to nominate 2 reps for call and support.
4. **Publications/Communications:**
 - Regular contributions for the RMTU Formal Publications i.e. The Transport Worker and The Activist.
 - Set up Women's Text Group - Email addresses to be shared with Conference attendees.
 - Try to establish a women's quarterly newsletter via Wayne for approval and electronically distributed.

The meeting concluded at 12.00 noon.

PORT WORKSHOP

The Ports workshop was addressed by Garth Cowie CEO Port of Napier, Peter Davey CEO LPC and David Stevens Chair of the Ports Retirement Plan.

1. Port of Napier and Lyttelton Address

Both Garth and Peter gave statistics for how well their respective Ports are performing with both experiencing and expecting future growth in export volumes. However the manner in which the Port of Napier engages with the RMTU really sets it apart from Lyttelton.

Our Members at Napier have been instrumental in the development of a Crane simulator which was purchased in the last 12 months. This simulator is used to test potential new crane drivers prior to being appointed, to train on once employed and our members have also been training unionised crane drivers from overseas ports.

To improve reporting of incidents and near misses a new process has been developed where reports are now made over the radio. This was a driver initiative as many incidents were left unreported, for a number of reason filling a form out at the end of the shift was not the best way to report. Near miss reporting went from 100 per year to 500 in the first year, the same risks were always there but the increase in reporting allows changes to be made prior to the near miss becoming an incident. The more information gathered the more chance there is to avoid the catastrophe.

The most significant change though was the approach to inland ports. Port of Napier reported recognising the value of an organised workforce and made sure their inland port included the RMTU, whereas LPC choose a completely different path.

2. Ports Retirement Plan

David Stevens Chair of the Ports Retirement Plan reported of significant change over the last 12 months due to new legislation “but we are still managing your money” he said.

David went onto say, “The Board of Trustees has been replaced by Directors with a Licensed Independent Trustee appointed as a watchdog to make sure everything is kept above board and the name was changed to better reflect who we are”.

The fund has survived Brexit and made good returns in June 16, with returns over 3.5% in the last quarter, with year to date in excess of 5%, in what has been a difficult year the fund has still been beating the hell out of inflation.

3. Branch Reports

3.1 Port Chalmers

- New CEO
- Forging ahead with dredging program for the channel
- New Tug
- Bringing in new starters on 24 hrs contracts not 40
- Bringing in casuals to wash and repair containers
- Have been getting C3 employees to do lashing work that is the work of RMTU members. This is only meant to happen to top up the labour but as yet there is no written agreement for this.

3.2 Timaru

- Taken over by POT
- Volumes increasing with Fonterra milk powder and Holcim contracts
- CA up for renegotiation in 2018
- Lack of training causes problems, as not enough people trained to operate the variety of equipment

- There are safety concerns as some people are finishing a shift with one company then going to another and working. Some of these shifts are 12 hours in length.

3.3 Lyttelton

- The burning issue around the LPC is that the MUNZ contract is expired. Membership growth for the RMTU is strong.
- One of the cranes is not likely to be recertified due to corrosion and there does not appear to be a long term strategy for either repair or replacement.

3.4 Nelson

- The meeting was not impressed to hear that Conference delegate Jeremy Diskin was notified at 4pm the day before conference declining leave to attend
- Going ahead well, land has been bought back and more reclaimed land now available
- New wine area has created more export volume
- A new tug was purchased
- Both container and log volumes up
- Similar problem to Timaru where people moving between Port and logs on 12hour shifts.

3.5 Marlborough

- There has been a restructure since we were last together, 8 people received letters and having delegates attend meetings with was made difficult, this was a dragged out process and 2 members were lost
- 1 new job has not been filled
- CA settled 1.8% yr one and 2.2 or CPI yr two
- No apprentices for workshop or long term plan for workshop staffing levels
- Looking at purchasing a new tug and dredging for bigger cruise ships

3.6 Wellington

- New CEO has brought in more work
- Fatigue continues to be a concern for members
- Asbestos found in office block
- Rail operating 3am – 1am

3.7 Taranaki

- Major restructure and we lost 13 members
- CA settled for a 12 month deal
- HR manager undermining the RMTU
- Avg age of employees is 55
- Main product is logs

3.8 Napier

- Increase in volume with new Bottled Water contract
- Proposal for a new wharf
- The Port has offered money for homeowners to upgrade for double glazing etc \$ for \$ to a capped amount
- Have purchased new equipment so now more training
- Multi-tasking not going well
- Staff and workers do really mix well in the shared meal room, as reported by the CEO
- Ship side drivers on rostered hours
- Negotiations for CA will be in 2017

- Part of the planning team now unionised.

3.9 Tauranga

- Incident reporting radios is good and bad, honesty is paying off but then losing the ability to talk to each other though
- Putting out a tender for a 3rd company to be operating the cranes
- Members waiting for the outcome of postal ballot for the CA ratification
- 800k TEU's forever getting closer to the automation level of 1 million
- 3 crane drivers have resigned from the RMTU.

3.10 Marsden Point

- Getting a CA for C3 members is still taking too long
- Turnover of members continues but overall recruitment is up.

4. Agenda Items

As the Forum only had 30 minutes left before finish time, it was decided that Phil Spanswick would give a brief overview of the remaining agenda items and it was **resolved** that the agenda items will form the Agenda for the 2017 Ports Forum.

Moved/Seconded: Marden/Blakeley

Carried

4.1 Automatic Stacking Cranes – ASCS in New Zealand

The latest move to reduce Port costs is to automate as much as possible i.e. replacing workers with machines. The areas that ports are looking closely at are cranes, straddles and maafi's.

If you think about your port that would be a large chunk of union members!

Currently the ports in New Zealand are thinking aloud as to whether to automate or not. One of the main issues is the cost of the installation, and how quickly they can get a return on the installation costs which would also include redundancy payments, and whether there is enough business in New Zealand to make automation worthwhile.

Has your port any plans to automate?

Brisbane is the closest port to New Zealand that has automation.

Automation is more straight forward in GREENFIELD sites, where the automation can start from scratch.

Can your port be a Greenfield site?

It is possible to convert existing or BROWNFIELD ports to a partial automation or to full automation which can be accomplished on a step by step basis.

Is there room at your port for a conversion?

Possible Employer benefits of ASCS are, reduced operating costs, reduced staffing, reduced emissions (no diesel motors), possible safe and reliable container handling and less wear and tear.

In your groups, answer the following questions.

- If your port brought in automation how many union members would be affected.
- Has your port discussed automation with your delegates?
- Would your port be a Greenfield site?
- Would your port be a Brownfield site?
- Are there any other roles in your port that can be automated?
- Have you seen an ASC?

- Do we fight against automation?
- How do we fight against automation?
- Or do we negotiate a better redundancy package if automation appears?
- Should the RMTU have a policy on automation? IF so what should that policy be?

4.2 **Relationship between Rail/Port Branches**

It is RMTU policy that we all work together to bring together our members in the Rail and Port branches. To move forward on this issue each Port branch, shall report on their relationship with their local Rail Branch.

- How is the relationship?
- What positives do you see in the relationship?
- Have you had any successful disputes involving the Rail branch?
- Have you had any disputes that could have involved the Rail branch?
- Are there barriers to the relationship?

4.3 **Relationship with the Surfside “Union” and the Amalgamated Stevedores Union, and Recruiting in C3**

We have had discussions with both the Surfside union and the Amalgamated Stevedores union regarding working in with the RMTU and possible amalgamations primarily in Tauranga where both Unions have their headquarters.

The Surfside Union was set up in 2000 with help from their employer Independent Stevedoring Limited (ISL), and called the Surfside Employees Association Inc, and was made up of ex MUNZ members.

To date there has not been any success in achieving our aims, of closer relations or amalgamation and there is a view that the Surfside Union talks to the RMTU when they are in negotiations for their “collective agreement” just to up the ante on ISL to improve their deal, and once they have a result they disappear again.

With International Stevedoring Organisation [ISO], their union is the Amalgamated Stevedores Union and their President is Lyn Hooker. Those of us with long memories will know that Lyn was the president of the Mt Maunganui Branch of the Watersiders, until he took redundancy during the Ports Reform.

Lyn then returned to work with the newly formed ISO and with the help of the Dickson’s formed the Amalgamated Stevedores Union.

We are currently recruiting within C3 especially in Log Marshalling, however C3 are resisting the setting up of Collective Agreements in log marshalling wherever and whenever they can, such as in Napier and Marsden Point.

4.4 **International Marine Sector and the International Transport Workers Federation (ITF)**

“Are we woefully lacking in marine as the MUA conference on the Gold Coast made blatantly obvious, this could be a problem as funding is an issue.”

The International Transport Workers' Federation (ITF) is an international trade union federation of transport unions. Any independent trade union with members in the transport industry is eligible for membership of the ITF. 654 unions representing 4,500,000 transport workers in 148 countries are members of the ITF. It is one of several Global Federation Unions allied with the International Trade Union Confederation (ITUC).

The ITF's headquarters is located in London and it has offices in Nairobi, Ouagadougou, Tokyo, New Delhi, Rio de Janeiro, Amman, Moscow, Sydney and Brussels.

The RMTU has continued its affiliation with the International Transport Worker’s 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 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.

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

Union Officers and delegates have attended a number of ITF events and regular meetings during the two years covered by this report. This Conference has other ITF affiliates from Australia and Great Britain attending.

4.5 **Maritime Union of Australia (MUA)**

The Union continues to have a fraternal relationship with the MUA. RMTU reps have attended MUA hosted conferences during the period covered by this report.

Workshop

Break up into groups to discuss, is the RMTU working positively on the following AIMS and ACTIVITIES of the ITF?

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

- Does the RMTU have a future in the Maritime Sector of the ITF?
- If we have how should the RMTU move forward within the ITF to best represent our membership?
- Does our fractured relationship with MUNZ affect our role in the ITF?

4.6 **Report on the ITF Maritime Round Table Montreal 2016**

Dave Marden thanked the branches for funding 1 member to go to the ITF Maritime Roundtable in Montreal, Canada.

Overall there is value remaining in the ITF but we need to increase the presence of the RMTU as a maritime union. The RMTU was basically unknown at the MUA 2016 conference however Howard Phillips RMTU Vice President delivered a great speech that got a lot of attention.

Then there was a discussion on the ITF as a result of the following report from Roz and Andy's trip to Montreal.

The ITF Maritime Roundtable Montreal 2016 was a great experience, the RMTU sent three representatives Alan Jaquiere from Port Chalmers, Roz Muir from Napier Port and Andy Kelly from Lyttelton Port.

After the report from the MUA conference on the Gold Coast it was blatantly obvious that the RMTU needed to be more involved and create more of a presence in the maritime sector.

Montreal was the perfect opportunity to change and take a more active stance, we achieved this, we attended all but two workshops and all meetings, and this meant 12 hour days from all three representatives. We actively engaged with other unions from other countries and made some great connections which will be extremely productive in the future.

We participated in the rally through the streets of downtown Montreal and we had our RMTU flag flying the highest in the most prominent position right up the front of the march.

We achieved our goal of putting the RMTU on the map, all the major unions that attended knew we were there and we definitely punched above our weight.

4.7 **Simulators**

Phil Taana gave a verbal report on the work that the Port of Napier crane drivers have done in setting up crane simulators in Napier.

This item to be presented at the Ports Forum.

4.8 **Inland Ports**

All Port Branches will bring to the Ports Forum an update of inland ports in their area.

The chair, Dave Marden closed the Ports Workshop at 5.10 pm.

RAIL WORKSHOP

1. Industrial Councils

The following questions were discussed in groups with feedback to the whole workshop:

- Do you think the Industrial Councils are 'working' in KiwiRail – what does 'working' mean to you and your members?
- What is working well in the way the Councils operate?
- What could be improved in the way the Council's operate?

Feedback

What does 'working' mean?

- Reps not being bogged down with the volume of work, especially the employers agenda
- Having appropriate representation reflecting membership
- Prompt feedback – accessible and understandable
- Power to fix issues, good comms that members understand
- Speedy resolution and talking to the right people
- Agenda driven by us
- Enough time to cover issues

Currently

- Starting to have the right people (employer reps) attending IC meetings
- Public shaming of some managers works
- Logistics are reasonably good – we get people released and travel etc is sorted
- IC's contractual and funded by the employers
- IC's can defuse adversarial relationships

What needs to occur to improve?

- Get the right representation on IC's i.e. positions should reflect composition of membership
- Better feedback to depots especially smaller depots
- Get buy in from all management on agreed outcomes
- Shared chairing of IC's
- Understanding escalation processes
- Greater awareness amongst membership
- More membership understanding of IC's and involvement
- Improve communication – feedback from all workshop groups

2. Relationships with Port Branches and Frequency of Meetings

Short presentation on the Canterbury Rail & Port Branch meetings/relationship and also that in Otago, highlighted what works and what could be improved.

Discussion whether the Canterbury model would be practical elsewhere and if not what could we do instead?

There was a consensus that elements of the Canterbury model could be universally applied and other activities could also be tried e.g. social events, lunchtime BBQs etc.

Branches committed to put in place specific mechanisms for building organisation between Branches e.g. joint exec meetings; joint mass meetings; joint WMD event next year. This was taken to the whole conference session the following day.

3. Branch and Inter-Branch Communications

Discussion elicited from branches what methods they use to communicate with membership.

Handout on Lyttelton Port text system discussed in groups with feedback on what was happening. A number of delegates had set up whole branch or business group specific text groups in their areas.

Good discussion of limitations and opportunities about use of Facebook Pages – encourage branches to have their own Facebook Pages i.e.-

- RMTU Women
- RMTU Lyttelton Branch
- RMTU Family Strong (Tauranga Rail)
- RMTU Tauranga Port Branch
- RMTU Palmerston North Branch
- RMTU Canterbury Rail Branch
- RMTU Port of Timaru Branch
- RMTU Port Otago Branch
- RMTU H&S

Inter Branch communications – Rail-Rail and Port-Rail. Discussion picked up on previous session's comments.

Discussion as to how can we achieve better communication. Role of National Office/Branch Execs & Officials. Very positive feedback re National Office publications.

Conference Adjourned for Day 1

DAY 2 Tuesday 2 November 2016

1. Conference Opening, Welcome Prayer, Minutes Silence for Lost Members, Comrades & Industry Workers

The President called Delegates together to welcome them all to the 2nd Biennial Conference of the Rail & Maritime Transport Union.

He then called on Ray Brown to lead participants in a Karakia.

He then called on for a minute's silence to remember lost members, fallen comrades and industry workers.

2. Formal Resolutions

2.1 It was agreed that Leonie Stieller be appointed Minute Secretary.

Moved/Seconded: Wilkinson/Te Pou

Carried

2.2 It was agreed that the Agenda as set out be adopted.

Moved/Seconded: Kelly/James

Carried

2.3 It was agreed that the Conference Format and Rules of Debate be as per previous years.

2.4 It was agreed that the Minutes of the 1st Biennial Conference held at the Kingsgate Hotel on the 14/16 October 2014 be approved as a true and correct record.

Moved/Seconded: Haraki/Barr

Carried

2.5 It was noted that there had been a discussion regarding updating the Policy Manual at the last Conference but that there was no mention of it in the Minutes. The General Secretary advised the Hutt Delegate to put it forward as a "Notice of Motion" so that it won't get missed this year.

2.6 The President advised Conference that Observers and Women's Reps have speaking rights, they don't have voting rights.

2.7 Apology

An apology was received from Jeremy Diskin from the Nelson Branch whose leave to attend Conference had been denied at the last minute.

The Nelson Branch Women's Rep advised Conference that as the Delegate from Nelson had been denied leave to attend could his representation be transferred to her.

It was **resolved** that Ann Wells-Donoghue be appointed the Delegate representing the Nelson Branch.

Moved/Seconded: Blakeley/Herbert

Carried

- 2.8 It was further resolved that Ray Brown be appointed the Delegate representing the Waikato Branch.

Moved/Seconded: McNeal/Carter

Carried

- 2.9 It was resolved that the Rules of Conference be adopted.

Moved/Seconded: Wilkinson/Manu

Carried

3. The President's Report

The National President, Aubrey Wilkinson gave his report to Conference.

See Appendix A Page 29 for the President's Report.

It was **resolved** that the President's Report be received.

Moved/Seconded: Wilkinson/Phillips

Carried

4. Opening Address

The General Secretary Wayne Butson gave his opening address and covered the following points:-

- Organising for Strength and Unity theme
- Being seen as relevant and responsive to members
- Delivering tangible benefits to members
- 21 years of relevancy and benefit
- But have work to do
- Union formed 1 May 1995 as the basis for a NZ Transport Union
- A transport union that would unite workers within the transport logistics supply chain to band together for unity and strength on common issues
- Initially essential to ensure all sectors represented and recognised
- Expected that this would diminish as groups learned to trust
- Have we done this? Have we achieved this?
- Have we welded together into one cohesive union movement
- Do our structures support this welding together of members?
- This conference has a new format – keen to get feedback. Women encouraged – do we need more – Youth
- RMTU growth is not coming from KiwiRail – it is coming from elsewhere
- Do our members see the relevancy of campaigns
- There is a remit focussed on the NMC structure – does our structure reflect the employers or does it reflect that is best for the Union Representation Model? Participants were asked to think about this
- Do our rail and port branches collaborate
- Do our rail branches collaborate with all employers/members
- If I said to anyone of you “what does the RMTU stand for and what is our objective” what would you say?
- We a keen to hear your view on these points

5. Introductions

The President then asked participants to introduce themselves, the Branch they represent, the Union role they play within their Branch; their employer; their occupation and what they hope to bring to and take away from Conference.

Discussion:

Stuart Marshall – queried the amount spent on overseas versus the amount spent on delegate training.

Dave Kearns – international unionism is very important.

Jenny Griffins – commented on the training day that the Wellington Rail Branch had which was very successful. The employer stumped up with the cost of doing it.

MORNING TEA

6. NZ Labour Party

The General Secretary introduced Andrew Little the Leader of the NZ Labour Party. With Andrew were Iain Lees-Galloway (spokesperson for Labour and Employment Relations), Sue Moroney (spokesperson for Transport) and Phil Twyford (Associate spokesperson for Transport with responsibility for Ports and Election Strategy).

Andrew introduced himself and covered the following points:

- Health & Safety and the RMTU's role in challenging the Government and the employers and its leadership role
- The recent announcement by the Government on the sale of Solid Energy to an Australian buyer
- National Ports Strategy
- Importance of the Rail Network – need KiwiRail to thrive and prosper and to do a lot more cartage of freight than they are doing at present
- The achievement that Union's and the Opposition in getting rid of Zero Hours Contracts
- General Election 2017
- Campaign plans – fundraising going very well
- Relationship with Green Party – work well together
- Common ground with NZ First
- Home ownership – present Government won't do anything to help solve the problem
- Need to look after young people – lack of opportunity for training
- Child poverty
- Crime NOT going down in contraction of the present Government's assentation's
- Got to fix the housing crises and build more new homes
- Health and people not getting help particularly mental health patients as they cannot get the help and treatment they need
- How is it that here in NZ we have the highest teenage suicide rate in the developed world?
- Standing for investing in people to get ahead and get on their feed
- Minimum Wage and Collective Bargaining rules
- Challenge is that a whole lot of people in the workforce who have no idea about unionism
- Must "Change the Government"
- Need the Union Movement to bring about change.

Questions from the floor included the NZ Labour Party's position on:

- rent control policy
- labour laws and the right to strike

- Living Wage
- Urban sprawl and the cost of land
- Save Northland Rail
- Tertiary Education and its cost
- Vocational Training
- Nuclear Free Policy
- Trans Pacific Partnership Agreement; and
- NIMT – keeping the central electric rail line.

7. Organising Not Litigating

Case Study Dunedin Railways

Interactive session led by John Kerr and Todd Valster regarding the Dunedin Railways dispute.

Theoretical concepts:

What is your objective – if you are going into a fight like this you need trained delegates.

Maintenance of aim – know what winning looks like and be very clear on what you want to do

- know where the pressure point is – different employers have different pressure points.

LUNCH

8. Conference Photo

Delegates convened to have a photo taken on the front steps of the Police College.

9. National Management Committee Report

The General Secretary began reading the NMC Report, taking questions as he went.

See Appendix B Page 32 for the National Management Committee Report.

Went through:-

- The Union
- Union Financial Management
- Staff
- Training
- Recruitment
- Communications
- Accommodation
- Branches.

To be continued 3 November 2016.

10. The Bosses are Organised Why aren't We

John Kerr and Todd Valster: Port Employers Alliance with Rail, Branch Meetings.

PPP:-

Participants were asked to give examples over the last five years of Port and Rail branches successfully working together to apply pressure to the employers and/or politicians?

- Combined picket at Tauranga by Waikato, Bay of Plenty Port and Rail and Hillside members

- Port of Lyttelton Overtime Ban – Canterbury and Lyttelton Branches
- Ports of Auckland MUNZ Dispute – train drivers tooting their horns going through Parnell

Participants were asked to get into groups to discuss the following questions:

- How do you build relationships and alliances between port and rail branches?
- What are the advantages and disadvantages of these methods?

Each Group reported back to Conference:-

- 10.1 Social Events and Facebook pages
- 10.2 Social Events: Fishing Trips, BBQ etc
- 10.3 Contact through other networks i.e. CTU, Hapu, Iwi etc
- 10.4 Established that within Union(s) we have separation between Rail & Port and other Unions; H&S a common ground

After the report back participants gave a commitment to joint Rail & Port Branch meeting around Workers' Memorial Day each year.

11. Pinning down the New H&S Act

Karen Fletcher and Hazel Armstrong explained the new H&S Work Act.
Have a PPP.

AFTERNOON TEA

11. Pinning down the New H&S Act – continued

Participants broke into Groups to discuss the “Workers exposed to poisonous fumes whilst working in a rail tunnel.

- 11.1 What happened?
- 11.2 Would you issue a red card? If so, why?
- 11.3 What are the consequences of not issuing a red card?

12. Financial Report and Balance Sheet

The General Secretary presented the Audited Financial Statements for the years ending 30/06/2015 and 30/06/2016.

See Appendix C Page 49 for the Audited Financial Statements for the Year Ended 30 June 2015.

See Appendix D Page 59 for the Audited Financial Statements for the Year Ended 30 June 2016.

It was **resolved** that the financial accounts for the years ending 30/06/2015 to 30/06/2016 be approved.

Moved/Seconded: Butson/Blakeley

Carried

13. The Union Budget Debate

The General Secretary presented the budget for the year ended 30/06/2017.

13.1 Union Fee Increase:-

It was **resolved** that the full time fee for Union membership be increased by \$0.10 to become \$8.60 per week from 1 December 2016.

Moved/Seconded: Butson/Carter

Carried

13.2 Budget

It was **resolved** that the Budget to 30 June 2017 with a surplus of \$25,787.96 be adopted.

Moved/Seconded: Butson/Brown

Carried

See Appendix E Page 72 for the 30 June 2017 Budget.

14. Remits and Notices of Motion

Remits:-

14.1 Auditor

It was **resolved** that Crowe Howarth Ltd be appointed as the Union's Auditors for the years ending 30 June 2017 and 30 June 2018.

Moved/Seconded: Butson/Blakeley

Carried

14.2 National Returning Officer

It was **resolved** that Howard Ian Phillips be confirmed as the Union's National Returning Officer.

Moved/Seconded: Carter/Williams

Carried

14.3 NZ Locomotive Engineers' Sickness, Accident & Death Benefit Fund

It was **resolved** that Wayne Butson, William Judson Sweeney and Michael John Williams be confirmed as the Union Trustees to the LE Trust Fund for a further two year term.

Moved/Seconded: Kearns/Stirling

Carried

14.4 Ports Retirement Plan (formerly the NZ Harbours Superannuation Plan)

It was **resolved** that Wayne Butson, Andrew David Kelly, Dion Jeremy Young be confirmed as the Union Directors to the Ports Retirement Plan; and that John Robert Murfitt, Todd Michael Valster and Howard Ian Phillips be confirmed as the Alternate Directors to the Ports Retirement Plan.

Moved/Seconded: Dyer/Young

Carried

14.5 NZ Railways Welfare Trust

It was **resolved** that Wayne Butson, Howard Ian Phillips, Samuel Wallis Kahui and Harold Edgar Spark as the Group B representative be endorsed.

Moved/Seconded: James/Sweeney

Carried

14.5 **NZ Council of Trades Union**

14.5.1 **Runanga**

It was **resolved** that Pare-Ana (Polly) Bysterveld, Raymond Tetahi Brown, John David Marsh and Manu James Barclay be confirmed as the Union's representatives for the Runanga.

Moved/Seconded: Dyer/Kelly

Carried

14.5.2 **Women's Council**

It was **resolved** that Christine Fisihoi be confirmed as the Union's representative for the Women's Committee.

Moved/Seconded: Te Pou/Blakeley

Carried

14.5.3 **Komiti Pacifika**

It was **resolved** that Telai Afitu Richard Sefesi and Mel Te Pou be confirmed as the Komiti Pacifika representatives.

Moved/Seconded: Haraki/Blakeley

Carried

14.5.4 **Youth Representative & Youth Labour Representative**

It was **resolved** that Campbell Leggett be confirmed as the Youth representative to any youth meetings.

Moved/Seconded: Te Pou/Crichton

Carried

14.5.5 **Out @ Work Representatives**

It was **resolved** that Malcolm Sired, Tui Hemi, Justin Prout, Bernie Harrison and Michael Nicholson confirmed as the Out @ Work Representatives to any Out @ Work meetings.

Moved/Seconded: Sweeney/James

Carried

14.5.6 **NZ CTU Endorsement**

It was **resolved** that the RMTU representatives attending NZ Council of Traded Union Huis, meetings and conferences be endorsed.

Moved/Seconded: Davidson/Dyer

Carried

15. **Mike Tasker - Life Membership**

It was **resolved** that Life Membership be conferred on Mike Tasker as nominated by the Lyttelton Branch of the Rail & Maritime Transport Union.

Moved/Seconded: Kelly/Davidson

Carried

16. **Banking Services Provider to the Union**

It was resolved that the Union changes its bank to a New Zealand owned and operated bank.

Moved/Seconded: Cooney/Davidson

Carried

Ruth Blakeley voted against the motion.

17. **Branch Capitation**

As branches get more active so too are they spending more. This needs to be reflected in the portion of Union Fee paid to branches from the national union fee. The capitation fee last increased in 2010 and so is long overdue. This has been accounted into the Union's budget for 2016.17 and will be part of the consideration by the National Management Committee (NMC) at their September meeting. This remit will be for endorsement and debate at the Biennial Conference if the budget is approved by the NMC September meeting.

It was **resolved** that the capitation be increased to \$10.00 per member per annum (\$2.50 per member).

Moved/Seconded: Butson/Carter

Carried

Conference Adjourned for Day 2

DAY 3 Tuesday 3 November 2016

14 Remits & Notices of Motion Discussion Continue

18. **Political Affiliation**

It was **resolved** that the RMTU discuss at its National Conference 2016 whether or not to disaffiliate from the NZ Labour Party.

Moved/Seconded: Dyer/Blakeley

Lost

An amendment to the substantive motion was moved “that the RMTU disaffiliate from the NZ Labour Party”.

Moved/Seconded: Blakeley/Crichton

Lost

19. **NMC Structure**

“That the NMC representative structure is changed to one of the following two options:

1. National President, General Secretary, elected at large;
1 x Women’s Representative
2 x Port Representatives (North & South Island respectively)
4 x General Representatives (to be elected geographically e.g. Northern, North Central, Central and Southern).

The makeup of each geographical area to be formed by grouping non-port branches to ensure an even distribution of members amongst the representatives.

OR

2. National President, General Secretary, elected at large,
1 x Women’s Representative
2 x Ports Representatives (North & South Island respectively)
3 x Core Rail Representatives (KRG Group Employees)
2 x General Representatives (all remaining members)

The make-up of each geographical area to be formed by grouping non-port branches to ensure an even distribution of members amongst the representatives.”

The Wellington Rail Branch’s rationale is as follows:

This remit outlines two options to be discussed by the Union’s Biennial Conference. The current National Management Committee was elected in 2015 and is due for re-election in 2017. With the Transfer of KiwiRail’s Tranz Metro operation to private operator Transdev Wellington Ltd this has significantly altered the Employer makeup of Union Membership. As a result, if the 2017 election is held using the current NMC structure the NMC will not be proportionality representative on a rep per member ratio. KiwiRail (Core Rail) 3 positions – 2285 members = 761 members per rep. 1 general rep = 1375 members for the NMC rep.

- | | |
|----------|--|
| Option 1 | Same number of NMC reps as it effectively redistributes members within the existing number of number of NMC (other than port) positions and provides a framework of 3,732 (non-port members) divided by 4 – 933 per NMC rep. Removes the linkage of NMC to employers. KiwiRail is currently getting smaller as an employer with other operators growing. As a logical geographic representational structure as the current structure has an Auckland based general rep representing Dunedin Railway for example. Under this proposal all representation for all members other than Ports will be a local regional rep; and |
| Option 2 | Creates an additional NMC position, at additional cost. We move from one general representative to two. Likely to have a geographic split and lower at lower North Island as any whole of North Island position would have all the North Island Toll depots and both Wellington and Auckland metro's (approx. 1,100 members). Remaining likelihood of South Island representation remaining with a North Island based representative due to the metro systems voting numbers dominance. Continues to tie the Union structure to employers in the industry and means the Union structure may alter regularly to reflect. |

Moved/Seconded: Te Pou/Blakeley (Option 2 Rail)

Carried

The General Secretary gave a presentation on the current representation of the National Management Committee and went through the two options for Delegates with the following points to consider:

- We are here to act to meet the needs and the best interest of members
- The Union's structures should not be affected by employer restructures or outsourcings
- The Unions structures should be to enhance strength and unit of members
- It is essential that members identify with the Union and not with their employer
- We must ensure that all voices within the Union are heard
- The Union's structures should be reflective of the membership

Have PPP.

An amendment to the substantive motion was moved that the NMC Representative Structure be changed to (Option 2):

National President, General Secretary, elected at large,
 1 x Women's Representative
 2 x Ports Representatives (North & South Island respectively)
 3 x Core Rail Representatives (KRG Group Employees)
 2 x General Representatives (all remaining members)

Moved/Seconded: Blakeley/McNae

Lost 21/9

A further amendment to the substantive motion was moved that "the NMC Representative Structure be changed to (Option 1) but that the General Position(s) be renamed Rail".

Moved/Seconded: Butson/Cooney

Carried

15. International Guest Speeches and Panel Discussion

The General Secretary introduced the international guests to the RMTU Conference.

15.1 Associated Society of Locomotive Engineers and Firemen (ASLEF)

Mick Whelan, General Secretary (accompanied by EC Members, Dave Calfe and Hugh Bradley) updated representatives on the difficulties ASLEF is experiencing in the UK with the Government and Employers.

15.2 Rail, Tram and Bus Union (RTBU)

Dave Woollams (National Vice-President (Road) accompanied by Keith McMahon Loco Division were welcomed to the Conference.

Dave Woollams gave representatives an update on the problems Unions are experiencing in Australia.

MORNING TEA

15.3 National Union of Rail, Maritime and Transport Workers (RMT)

Brian Pascoe gave a run-down on the activities of the UK Rail, Maritime and Transport Workers Union.

After the presentation, there was a question and answer session with Conference Participants.

At the conclusion of the session, the General Secretary gave each of the International Guests with a gift of appreciation with a reciprocal gift being given by ASLEF to the Rail & Maritime Transport Union.

16. UnionAid Presentation

The General Secretary introduced Christine Ross representing UnionAid who gave a presentation on the activities of UnionAid.

Have PPP and collected approximately \$725.00 as donations towards UnionAid.

LUNCH

17. NZ Railways Staff Welfare Trust Presentation

Chris Ball gave a presentation on the RSWT.

Have a PPP.

18. Notices of Motion

- 18.1 It was **resolved** that the Women's Workshop moves that for all Collective Agreements that the Rail & Maritime Transport Union negotiates, that the Living Wage be the minimum starting point as a wage rate.

Moved/Seconded: Haraki/Blakeley

Carried

- 18.2 It was **resolved** that the Women of the Rail & Maritime Transport Union move that on the year after each Biennial Conference that the RMTU Helen Kelly Women in Leadership Training be run in conjunction with Ports Forums.

Moved/Seconded: Blakeley/Wells-O'Donoghue

Carried

- 18.3 It was **resolved** that the Women's Workshop move the change the "Mutual Respect Policy" (Appendix 3 of Policy Manual 2011)

"What is Unacceptable Behaviour?"

Unacceptable behaviour includes unwelcome physical, verbal or non-verbal conduct ("**bullying**") including the use of email, "**social media and any other electronic communications**" any behaviour that ridicules, intimidates, or is physically abusive.

Moved/Seconded: Blakeley/Te Pou

Carried

- 18.4 It was **resolved** that we open a fund to informally/formally train under 25's around the country on what it means to be active in the union and why it is important to use their voice.

Moved/Seconded: Phillips/Kearns

Carried

Universal measure of youth is under 35.

- 18.5 It was resolved that the Union needs to be more modern. Need to get more apparel out there; make Union more visible.

Moved/Seconded: Newman/Manu

Carried

- 18.6 It was **resolved** that the RMT Conference 2016 condemns KiwiRail's plans to end the use of electric locomotives on the North Island Main Trunk and directs Union Officials to mount a sustained attack against this act of environmental terrorism by KiwiRail. Further that the Union co-operate fully with all other like-minded groups or organisations in this campaign.

Moved/Seconded: Butson/Brown

Carried

- 18.7 It was **resolved** that the RMTU Conference 2016 commends Albert Barr for his tireless effort on behalf of members and the Union as the driving force behind the "Grown Northland Rail Campaign".

Moved/Seconded: Butson/Blakie

Carried

- 18.8 It was **resolved** that under 25's excluding KiwiRail/Transdev to have the fees halved for the first year to promote and grow our union.

Moved/Seconded: Saxton/Butson

Lost

- 18.9 It was **resolved** that the RMTU negotiate with the Rail Companies to recognise continual service of employees who wish to move to other rail companies for whatever reason, in respect to pay, annual leave entitlements, retirement leave and redundancy payments; however, if redundancy has already been paid out the employee will revert to conditions of a new employee.

Moved/Seconded: Stirling/Sweeney

Lost

- 18.10 It was **resolved** that the Transdev Collective Agreement ratification process be modified to take the form of a postal ballot, with a non-retained vote being recorded as a yes vote. There must be a 70% acceptance to be ratified.

Moved/Seconded: Sweeney/Stirling

Carried

- 18.11 It was **resolved** that the Policy Manual be reviewed and updated as and where appropriate and re-issued.

Moved/Seconded: Carter/Newman

Carried

- 18.12 It was **resolved** that Graham Hart current Vice-President of the Napier Port Branch be given Life Membership of the Rail & Maritime Transport Union.

Moved/Seconded: Marden/Taana

Carried

19. National Management Committee Report – Continued

Follow on from yesterday:-

- Port Forum
- Bargaining
- Other Union Picket Actions
- National Management Committee
- IEA Members
- Campaigns
- Health & Safety
- Accident Injury Services
- NZ Council of Trade Unions
- KiwiRail Industrial Councils
- Amalgamation
- Legal Reserve Fund
- Personal Grievance and Legal Services
- International
 - International Transport Workers Federation
 - Australasian Railway Association
 - East Japan Railway Workers Union/Confederation of Japan Railway Unions
 - Rail Tram and Bus Union
 - International Centre for Labour Solidarity
 - Transport Workers Union
 - Maritime Union of Australia
 - Rail & Maritime Transport Union of Great Britain
 - Associated Society of Locomotive Engineers and Firemen
- Workers' Memorial Day 2015/2016
- Political
- Legislation
- Benefits of Membership
 - NZ Railways Staff Welfare Trust
 - Locomotive Engineers SAD Trust Fund
 - Ports Retirement Plan
- Women's Inaugural Conference (General Secretary censured for the omission in the NMC Report)

- Conclusion

It was **resolved** that the National Management Committee Report be adopted.

Moved/Seconded: Butson/Carter

Carried

20. NZ Council of Trade Unions – Closing Address

The General Secretary introduced Sam Huggard, Secretary of the Council of Trade Unions who addressed delegates on New Zealand Trade Union issues.

Challenges for the NZ Trade Union movement:-

- 98% workers involved in a union got a pay rise
- Conditions that we have today have been negotiated by
- Stronger Together
- Unions are the best answer to inequality between rich and poor
- Collective Bargaining works well for a bunch of workers
- They are a bunch of people that the Union movement doesn't serve well
- Job and challenge is to consolidate where we are strong and to identify those workers who are missing out
- Many workers have not particularly good standards and conditions
- Five points to identify:-
 1. Secure Hours
 2. Fairly rewarded for the work that you do
 3. That there is an opportunity for skills and growth
 4. Safe work "coming home safe to your family"
 5. Having a say in your industry or job.

21. Conference Reflection and Closing Address

The President asked those participants who had not spoken already to say a few brief words. He then thanked participants for their input in making the Conference a success.

Ray Brown led delegates in a Karakia.

Conference was declared closed.

APPENDIX A**RAIL & MARITIME TRANSPORT UNION
NATIONAL PRESIDENT'S REPORT
BIENNIAL CONFERENCE 2016**

I welcome you all to our 2016 Biennial Conference of our Union. I would also like to give a special welcome to our International guests. I do hope you enjoy our Conference and look forward to your active participation over the next few days. To our Conference Observers and Delegates, your participation will be equally important, and I see it as my mission to ensure that everyone will have, or be made to have a say. We will enjoy a lot of debate, set goals, and plan for the future of our union.

Our conference theme "Organising for Unity and Strength", I will leave to our National Secretary Wayne Butson to cover.

The past 2 years have simply flown by, which tells me that we have been extremely busy, or to put it another way, under constant attack.

Many Employers in New Zealand have become more aggressive, outspoken, bolder, and in some cases downright ruthless. The current climate is near perfect, yet again, for employers to attack and weaken organised labour. These last 2 years as National President have been the busiest for me. Our National Secretary Wayne Butson will agree, now is a hell of a time to be in a leadership position of any Union. Yet despite the odds, we collectively stand together, and I know it's because we believe in fighting for what is fair and just. Throughout our Union, every Member, Activist, Delegate and Advocate always strives for what's right. It's this passion, determination, and strategic approach that our members take, which gives inspiration to everyone, not just within our Union, but all around us.

Speaking of strategic outcomes, I look forward to the recommendations coming out of our Port and Rail Workshops and also from our first ever Women's Biennial Workshop - recommendations which we will weave into our Union's strategic direction.

It is worth noting some outstanding initiatives our members have embarked on over the past 2 years. The Health and Safety Focus groups for example, which have worked tirelessly to formulate plans and recommendations for tunnels throughout rail. When it comes to Health and Safety, we as workers must never defer to someone else's decisions. The new Health and Safety laws give us the opportunity and right to work with our Employers in order to improve Health and Safety within our respective workplaces. Of course Karen Fletcher, our Union Health and Safety Organiser is only too willing to answer any queries and to offer advice, guidance, and training when called upon by our Members.

Safety features in our union logo. I must congratulate our members, Laurie Collins from Port Lyttelton and Ian Dixon Locomotive Engineer from Christchurch, who were both nominated for the "Most Influential Employee Award" at the Safeguard National Health and Safety Awards this year. Laurie was judged the recipient of the award, and again, thank you both for giving yourselves and our Union, the recognition so richly deserved.

Our members at Hutt Workshops are faced with the possibility of no more work coming their way. With out-dated machinery, sub-standard buildings, and increasing offshore competition for work, our members at Hutt, have adopted a High Performance High Engagement initiative, as one option to salvage continued employment. It is heartening to see our members at Hutt working to prevent this closure from happening. So, in conjunction with KiwiRail, the HP/HE initiative will hopefully deliver a positive outcome for our Hutt Branch. It goes without saying that the Hutt Branch Delegation will be more than happy to share their experiences with those of you who wish to know more, over the next few days.

I thought I would share some positive news in this report. All too often, it is easier to dwell on the bad news.

The Political climate we find ourselves in does frustrate and anger a huge number of workers. I am now seeing major cracks starting to appear in the current Government. More people are also talking about a change of Government these days. Before change comes, we need to be heavily involved with our worker friendly Political Parties. Simply put, if we want to effect change, we need to be inside the tent. I feel our Union has been doing a fantastic job to date, so when we do get a change of government, we will be in position to deliver those required outcomes for the benefit of our members and our society. So I ask you all to think carefully about what our political strategy will look like going forward.

Moving along, at this point I would like to recognise and acknowledge the efforts of our paid staff. Industrial Organisers, John Kerr in Christchurch who covers the biggest area geographically, and works alongside Heiner Benecke in the Lyttelton office. Todd Valster who works out of our Wellington National Office. Karen Fletcher, who I previously mentioned, also works out of National Office in Wellington. Phil Spanswick based in the Tauranga Office and whose area is roughly Bombay down to Taumarunui and across to Napier. Stu Johnstone who is our organiser based in Auckland. Our National Secretary Wayne Butson who is known and respected Nationally and Internationally due in part to the organisations we affiliate to, like the New Zealand Council of Trade Unions, The International Transport Federation and the International Centre for Labour and Solidarity. Thank you all for your tireless efforts over these past 2 years.

To the two head office toilers who somehow make sense out of the chaos around them. Leonie Stieller and Julia Harrison. You are both such a critical part of the success of our Union, and while you tend to work behind the scenes, be assured that your efforts do not go unnoticed or unappreciated.

I would like to convey our collective appreciation to our law firms Hazel Armstrong law in Wellington and Tauranga, and also McBride Davenport & James for the excellent work you all do representing our members when grievances go too far down the track.

I need to recognise the Industrial Councils in rail for the good work you all do for our members.

I must also thank the Branches, the Branch Presidents, Branch Secretaries, Branch Treasurers, Delegates and Activists throughout our union. I have said it before; you are all the life blood of our Union.

To our National Management Committee, Wayne Butson our National Secretary, Howard Phillips our National Vice President, Andy Kelly, Bill Sweeney, Mike Williams, Barry Simpkins, Dave Marden, and Ruth Blakeley, thank you all for the awesome support you have given me, and the wonderful work you have done for our members.

To you all here, the highest decision making body of our Union, I would like to again remind you that we must continue to strive for greater unity amongst our members, regardless of workplace or occupation, and continue to grow our union so that we can deliver strong outcomes for our union, for everyone. In closing, I must express my sincere sorrow at the passing of Helen Kelly. Many of us in this room will acknowledge and remember Helens' passion, dedication, and total commitment to the working class and the disadvantaged.

Helens' achievements are too many to list, and I for one will never forget the good work she did. Helen, you will be truly missed by us all.

I move that this Presidents report to conference be accepted.

APPENDIX B

**TWENTIETH REPORT OF THE NATIONAL
MANAGEMENT COMMITTEE
For Presentation to
Second Biennial Conference
1, 2 and 3 November 2016**

This is the twentieth and second biennial report of the National Management Committee and deals with the period from November 2014 to October 2016 and the financial years 1 July 2014 to 30 June 2015 and 1 July 2015 to 30 June 2016.

The NMC takes great pleasure in welcoming you to **YOUR** second biennial delegates' conference so that we can all share in a celebration of the Unions' successes during the last twenty four months and to enable us to plan for the coming 24 months' successes which will be reported to Delegates Conference 2018.

There is a lot to celebrate and feel "Proud 2 b RMTU" about, as we have had a full and busy two years.

The Union's staffing has seen no changes during the period covered by this Conference.

Our costs associated with the activities of the union namely bargaining, training and branch organising have by and large remained within expected budgeted parameters over the last two years. Income from investments has also been encouraging with one branch receiving a strong return from their equities. Our costs to do with litigation on behalf of members have continued to increase with campaigning, political activity, growing employer aggression against members, delegates and the Union in general and ACC matters continue to remain high.

We continue to experience problems in utilising our loyal and hardworking key Rail Branch officers/delegates due to the shiftwork nature of company operations, high density of locomotive based Union officers and operator number of players in rail makes it difficult for us to have delegates released for all manner of union related activity. The fact we have a large number of key reps in a single occupational class does not also assist us in being able to readily access their skills for union work. Training is an area that has been given higher priority and a stronger focus during this two year period but we remain frustrated that our efforts are often stymied by the employer declining leave applications. We are frequently struggling to get the necessary numbers released to form decent and effective class sizes. We continue to experience employer reluctance to paying wages "out of their budget" for delegates to deal with issues in other divisions let alone in some cases another company.

All in all though you would have to say we have had another successful two year period of operation with the vast majority of members expressing favourable views on the Unions overall performance.

THE UNION**UNION FINANCIAL MANAGEMENT**

The National Management Committee continues to adopt a cautious and prudent approach to financial management which embodies a philosophy of the Union living within its means. Our objective is to always strive to attain a surplus result on the basis of our member subscription income supplemented by investment income on reserves. In the year ended 2015 the Union achieved an acceptable income over expenditure surplus of \$215,701.00 and this year (2016) the National accounts are again in surplus by \$256,427.00 income over expenditure. Branch annual accounts are also in surplus this year of \$75,247.00. The strike fund subscriptions in 2015 were \$354,958.00. The current balance total in the Strike Fund is \$400,313.00.

The National Management Committee is cognisant of the current economic situation and is aware of Collective Bargaining outcomes. Union staff wage increases are indexed to the rail sector and so internal general wage costs for

the Union increased by 2.00% for 2014-15 and we have paid an increase from 1 July 2016 of 2.0%. Staff wages costs are the largest single expenditure item for the Union. The Union membership fee was last increased by \$0.10 at 1 November 2015. It is proposed that the Union fee increase by \$0.10 from 1 December 2016 and there is a remit to this Conference to that effect.

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. Union policy requires the NMC to prepare non deficit budgets and this was not able to be delivered without a small fee increase to allow for foreseen and expected expenditure. The budget therefore indicates what the financial situation should be provided there be no alteration to expected or foreseen cost to the Unions operation.

We will have to monitor expenditure closely during the year but of course there are many items of expenditure that the Union has little or no control over that may arise during the year.

The audited Financial Statements for the financial year 1 July 2014 to 30 June 2015 and 1 July 2015 to 30 June 2016 have been distributed and will be tabled for adoption and discussed during this conference. The NMC calls for the approval and adoption of the financial accounts.

STAFF

Our Union team of paid staff is our greatest tangible asset. They have all continued to display high levels of professionalism and productivity during 2014 – 2016. Our Union continues to benefit from having a committed and professional workforce, both industrial and administrative. Workloads for staff continue to be challenging at times. Our industrial/organising staff programme branch visits within their regional responsibility on a “systematic” basis. This systemisation has a cost associated with branch visits which have increased year on year but the profile of the Union amongst members and key support for delegates remains at a high level as a result.

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 able to support the organising growth of the Union. Her principal role is the administration of the Union’s finances and the period of this report has seen the Union adopt the new financial reporting standards. Leonie is a key member of the Union’s National Office team. Leonie has advised the Union of her desire to retire in late 2017.

Julia Harrison is the National Office administration assistant and secretary to the Trustee’s of the LE SAD Fund. Julia is in many cases the first contact point for the Union and does so in a professional and pleasant manner. The administration position is a key role within the National Office team.

Karen Fletcher is our H&S Organiser. She was employed part time on 24 hours a week for most of the two year period and has recently increased her hours to 28 per week. To say she has been busy since joining us would be an understatement. Karen is now our undisputed resident expert on all things H&S and an integral member of the Industrial team of the Union.

Heiner Benecke is based in the Lyttelton office as the part time Lyttelton Branch Secretary. The position is funded by the Lyttelton Port Branch with a contribution from the National Union toward the remuneration for the role.

Stuart Johnstone is our regional organiser for the Northland/Auckland region. He is based in the Westfield KiwiRail Freight Building. Stuart is the Organiser responsible for supporting the KiwiRail Mechanical Industrial Council. Stuart has the smallest geographical area but the highest membership density of any industrial staff member. He is responsible for Northland Port/Rail and Auckland Rail branches.

Phil Spanswick is our organiser for the central/eastern regions of the North Island. Phil is based in our Mount Maunganui office. Phil is responsible for the Waikato Rail, King Country Rail, BOP rail/port and the Hawkes Bay rail and port branches.

Todd Valster is based in the Wellington Office. Todd is the lead staff member on the KiwiRail (Freight) Industrial Council. Todd has relieved as General Secretary during periods of overseas travel and other absences by the General Secretary. Todd is responsible for the Palmerston North Rail, Taranaki Port/Rail, Hutt Shops, NZ Bus, Wellington Rail, Marlborough Port/Rail and Nelson Port branches.

John Kerr is the South Island organiser. John has a strong set of skills with training being his speciality area. John completed the NZCTU Leadership Course in 2014. John has relieved as General Secretary during periods of overseas travel and other absences by the General Secretary. He is responsible for the Canterbury Rail, Lyttelton Port, Otago Rail/Port, Southland and West Coast branches. John has the largest geographical coverage.

Mani Raumatī resigned his position with the RMTU on 24 December 2015 to take up other opportunities. He was a valued member of staff whilst with us.

Hazel Armstrong Law's team provide advice in the Health and Safety, Personal Grievance and ACC areas as required. Hazel has represented the RMTU on many KiwiRail working groups and projects. Hazel also provides a mentoring role for Karen Fletcher thereby ensuring Karen's ongoing development in this specialist area.

Geoff Davenport and Guido Ballara (McBride, Davenport James) provide high value, quality support, advice and advocacy on legal/Industrial matters. When coupled with our industrial strength this legal expertise makes the RMTU a strong force on multiple fronts.

The Union utilises the services of Ron Dubin, who is based in Diamond Harbour (across the harbour in Lyttelton), for Union membership database maintenance. During the period covered by this report he has made many valuable adaptations to our Access based database to enhance its value to the Union.

The National Management Committee would like to record their very sincere appreciation to staff for another productive two year's effort on behalf of the Union's members. Thanks to Leonie, Julia, Heiner, Karen, John, Todd, Stuart, Phil and Mani (for his work whilst with us).

TRAINING

The Union cannot expect to have good delegates without investing in this area. Delegates and our voluntary branch officials are the lifeblood of the Union. There is no doubt that without them this Union would not be able to undertake many of the functions that we do nor do them well. The NMC wishes to formally recognise and acknowledge the work of our many passionate, hardworking and loyal branch delegates and officials. The Union notes that a number of our key branch officers and delegates have been targeted by their employers for special treatment owing to their Union work. We thank them for their continued commitment in these trying times and they can be assured that the Union will strenuously defend their ongoing employment.

The industrial organiser for the region is responsible for the training delivery with all other arrangements being handled out of National Office. In many cases though we have used John Kerr to assist the local organiser with the training. Delegates who have been trained have also had to complete assessment forms and samples of these are available for the Ministry of Business, Innovation and Employment for statistical purposes. We have done a considerable amount of in-house H&S training for KiwiRail using Karen Fletcher and the CTU H&S Trainers.

In the year 1 July 2014 to 30 June 2015 we trained a total of 256 delegates. 205 did delegate training and 51 did H&S training.

In the year 1 July 2015 to 30 June 2016 we trained a total of 154 delegates. 101 did delegate training and 53 did H&S training.

To date from 1 July 2016 to 1 November 2016 178 KiwiRail Reps will have completed the new in-house H&S Training Course.

RECRUITMENT

At Conference 2014 we reported that our membership was 4390 (full time) and 211 (casual) giving a total of 4601. At year end 30 June 2015 we had 4476 (fulltime) and 217 (casual) giving a total of 4693. An increase in membership of 92 for the year. At year end 30 June 2016 we had 4431 (fulltime) and 235 (casual) giving a total of 4666. A decrease in membership of 27 year on year.

We continue to experience high membership density within KiwiRail and Transdev's Wellington and Auckland operations. The staff undertake mapping exercises during the year and we also utilise regular employer information to

identify non-members as effectively as we can but the best way is for YOU to monitor what is going on in YOUR workplaces by way of new faces etc.

We remain convinced that whilst we are maintaining strength and density within the operational areas we have sliding density within the clerical-admin type occupations with our employers. We simply must do better.

We do not use the Safety First logo exclusively as we interchange it with the Stronger Together logo as it suits the tone of the publication and reinforces the messaging of the need to maintain density through recruitment.

We MUST recruit all rail industry workers into the RMTU. Sadly to date, we seem to be unable to recruit within the myriad of contractors used by KiwiRail Networks. We appear to be getting awareness within our members for the need for contractors to be recruited into the Union as when questioned they invariably respond that they “understand” that it maintains our strength during times of struggle as the contractors will not undertake our work. However there is no real tangible numbers of membership applications coming in from those contractors. We all know that the members at the coal face are the best recruiters. Organising staff have been reminded of the need to look at the plethora of rail contractors throughout the country. All delegates need to be observant and use every opportunity to talk union to workers from any contractors undertaking work within the rail corridor.

We have wage minimum requirements for contractors to KiwiRail but the effectiveness of this will require strong policing by members and to date few cases have been reported to the Union. Where they have been reported we have been quickly able to have compliance with the CA enforced.

The Ports Forum continues to recognise that the same can be said for the waterfront. As more stevedoring contracts go out to open tender we are seeing an ever greater mix of work being undertaken by our members and a greater mix of stevedoring companies within ports. In some areas our members are losing work to companies like ISL, QM and Qube and so if we are to maintain our conditions of employment or to improve them we must maintain our Union density within the port. We simply must recruit within these stevedoring companies.

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 skills of 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 individual members' levels of involvement – employers are onto this aspect as well and they call it “engagement”.

COMMUNICATIONS

The Union's website www.rmtunion.org.nz continues to be well utilised. We have very good website statistic info and this shows that it is being heavily “hit”. During the course of 2017 we will be undertaking a revamp of the website.

The website contains links for all publications, press releases and “Hot Topics” or anything else we can think of. We are able to directly edit the website and this has reduced the delay in the material appearing on the site. The website remains a very important part of the Union's communication strategy with members and the rest of the world.

Our somewhat regular newsletter “The Activist”, which is sent to all RMTU officials and delegates, is an important means of ensuring that key members are kept fully informed of current issues and Union activity. We try to avoid sending out the entire document to save on bandwidth, we normally just send the website 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, however managers always appear to print it off as 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 noticeboards. We 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. It is placed on the website in pdf format for download if one chooses to do so. It is supposed to be 24 pages in size but seldom is as for example the September issue was 32 pages. We see this as a good news item as clearly we have lots of important and newsworthy issues to report on.

Telephone communication with National Office remains an important communication channel for both delegates and members. The industrial staff endeavour 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 organisers are important to many members. All industrial staff have systematic visiting schedules so that members and delegates can be confident of the days/dates that a visit by a Union Organiser will occur.

A number of Union branches have initiated closed group Facebook pages as a means of improving communication with branch members and to facilitate advice of key issues, meetings etc. Responsibility for the oversight of these groups lies with the regional organisers and key branch officials.

Many branches have also set up text groups and this appears to be delivering benefits in terms of quick and seamless internal communication.

The RMTU has continued to refine and update Union promotional material during the period of this report.

ACCOMMODATION

The Union's National Office has been working out of level 1 of the Tramways building 1 Thorndon Quay during the reporting period (since 1999). The premises are shared with Hazel Armstrong Law.

The Lyttelton Union Office remains squatting in the Lyttelton rail station. The Office suffered major damage during the Canterbury earthquakes and is deemed as being unfit for occupancy. The building is scheduled for demolition and we are in discussion with KiwiRail to have a space in whatever is put in place as a replacement. The cost of the office is shared in a negotiated arrangement with the Lyttelton Port Branch. The National Union leases a photocopier/printer/scanner for the office.

The Auckland Office is based at KiwiRail's Westfield terminal. We have a telephone and fax line provided. We gratefully acknowledge the generosity of KiwiRail. The organiser has a laptop computer and a lease printer/scanner/fax supplied.

The Mount Maunganui office is in a prefab sited adjacent to the KRMS site within the Mount Maunganui rail yards. This office is used by Phil Spanswick and is also widely used as a meeting spot for Rail and Port members. The building has also accommodated Ben and Krissy Thompson from Hazel Armstrong Law since mid-2015. Alterations to facilitate the accommodation of HA Law were completed at the same time. The cohabitation relationship has delivered tangible benefits to the Union to date.

The Union has other employer supplied Union office space in a number of branches and this support is greatly 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. Branches have varying degrees of difficulty in filling vacant positions at the Annual General Meetings and we take this as indicating that the Union remains in good hands/heart. The honorary officials and delegates are the backbone of our Union and their active participation is a 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. If there are gaps they are to endeavour to plug them.

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 being allocated to those branches.

The fundamental platform of being a national Union built upon a branch structure foundation is unchanged. This reflects the objective of branches being able to project power and influence to members at a workplace level. In order for the National Union to be successful we absolutely must have effective and powerful branches with active and committed officers/delegates and 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 can be accomplished by having members and delegates stepping forward and by us providing appropriate training. We have to ensure that branches work effectively.

The Union issues delegate recognition/achievement and membership loyalty awards. Awards have been issued during the period of this report to:

- Tim Spence, Life Membership & 41.5 years
- Phil Bosworth, Life Membership
- James Hawkins, 35 years
- Andy Gilbert, 38 years
- Malcolm Arthur, 41 years
- Francis Rosemary Parker, 30 years
- Michael King, 40 years
- Graeme John Ross, 40 years
- William Thomas Veal, 63.5 years
- Rudi Brens, 10 years
- Donald Hamilton, 21 years
- Evan Lewis, 33 years
- Naginbhai Patel, 40 years
- Damian Gardner, 42 years
- Kevin Tasker, 53 years
- Vern Tutemahurangi, 53 years
- Bryan Campbell, 56 years
- Colin 'Bruce' McKnight, 21 years
- Selwyn Roberts, 28 years
- Hopa Bell, 40 years
- Ian Barns, 45 years
- Carlyle Hurt, 52 years
- Darryl Haines, Service to the Union
- Duncan Browne, Service to the Union
- Guy Miller, Service to the Union
- Ian Dixon, Service to the Union
- John Smith, Service to the Union
- Laurie Collins, Service to the Union
- James Souness, 24 years
- Thomas Thompson, 30 years
- Brian Manson, 35 years
- Graeme Densem, 37 years
- Leslie Tasker, 40 years
- Albert Scott, 42 years
- Tuaanu Pouao, 42 years
- John O'Neil, 43 years
- Pruden Bardell, 43 years
- Robert Hammond, 45 years
- Colin Porteous, 47 years
- Raymond Gutschlag, 47 years
- Alwyn Lavery, 49 years
- Eric Cairncross, 49 years
- Robert Ngataierua, 49 years
- Harry Hogg, 50 years

- Phillip Wagener, 50 years
- Dennis Wells, 51 years
- Peter Harris, 53 years
- Michael O'Neill, 30 years
- John Todd, 38 years
- Malcolm McDonald, 38 years
- John McLeod, 45 years

PORT FORUM

In the year between Conferences the Union convenes a National Ports Forum. This enables delegates and Observers from all of the Unions Port Branches to come together to discuss matters of mutual concern and to develop strategies on how best to maintain and improve conditions of employment for our members engaged on the NZ Waterfront. The Forum in 2015 was held on 9-10 June and at the Thorndon Hotel. The NMC continues to see real benefit from the holding of this forum and so supports its ongoing format. The waterfront will be a continuing area of ongoing work during the coming two year period between Conferences.

BARGAINING

The Union has a number of Collective Agreements which all require resourcing at negotiation time. Many are joint Union negotiations and that presents its own challenges on occasion. 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 2 collectives and Lyttelton has three. The employers with which we have Collective Agreements are;

- KiwiRail Group
- CentrePort Ltd
- Transdev Transport Auckland Ltd
- Transdev Wellington Ltd
- Hyundai Rotem Limited
- CAF NZ Ltd
- NZ Bus – Go Wellington
- Ixom Operations Limited
- Lyttelton Port Company Ltd
- North Tugz
- Northport Ltd
- C3 Limited
- Port Marlborough (NZ) Ltd
- Port Nelson Ltd
- Port of Napier Ltd
- Port of Tauranga Ltd
- Port Otago Ltd
- Quality Marshalling
- Prime Port Timaru
- Dunedin Railway
- Toll Networks
- Port Taranaki Ltd
- Champion Flour Milling

During the two years we have maintained our strategy of endeavouring to transfer as much bargaining cost as we can to the employers. We try and get the employer to pay for the travel, wages, venue and food costs.

The National Governments amendments to the ERA during recent parliamentary terms have further eroded Union rights and the Unions ability to effectively collectively bargain on behalf of members.

OTHER UNION PICKET ACTIONS

During the year members have assisted on a number of other Union's pickets or industrial actions. We have always honoured Union pickets where encountered by members during their work. The Union has a national Policy of not crossing other Union Picket Lines unless directed to by the NZ Courts.

We have of course provided solidarity picket activity to a wide variety of other Union disputes throughout NZ. The actions of branch officials in organising this activity is appreciated. The Union has made donations to other Union's in support of workers struggles. In our view this solidarity action and support is what Unionism is all about.

NATIONAL MANAGEMENT COMMITTEE

The National Management Committee responsibilities and powers are expressed in Rule 18 of the Union's Rules and Standing orders. They are responsible for the good governance of the Union and the oversight of the actions of the general secretary.

The National Management Committee has held 8 formal meetings during the course of the 24 months following last Conference. NMC is made up of 2 port reps and 3 rail core, 1 Woman's and 1 non-core reps. The National President and the General Secretary are also on NMC. A total of 9 positions. The NMC members and National President are elected to 2 year terms and the General Secretary to a 4 year term. This entire NMC is due for election in 2017 and is currently formed by President Aubrey Wilkinson, Vice President Howard Phillips, General Secretary Wayne Butson, Andy Kelly, Barry Simpkins, Bill Sweeney, Mike Williams, Ruth Blakeley and last but by no means least Dave Marden.

During the year the NMC has 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.

Members of the NMC also have representational responsibilities in other areas. Mike Williams is on the KiwiRail Industrial Council; Howard Phillips is on the Transdev Wellington – Hyundai Rotem Industrial Council. Members of NMC are also engaged in the appropriate collective bargaining forums. They have also represented the Union at events and assisted with branch issues as required. The National President and Vice President have deputised for the General Secretary at CTU National Affiliate Council meetings.

IEA MEMBERS

The Union continues to provide services to members on Individual Agreements mainly with employers within the rail industry. IEA members are serviced by full-time union staff thereby ensuring the confidentiality of service to members and avoiding any possible conflicts of interest. During the reporting period we have seen an increase in the number of members wishing to return to coverage by the KiwiRail MECA. There is some employer reluctance to this occurring. We are also getting some interest from IEA members on the merit of initiating for a management collective agreement. We have seen this before and it has always come to nought.

CAMPAIGNS

The RMTU is a founding and ongoing supporter of the Living Wage Campaign.

The RMTU is a supporter of the Auckland Airport Rail Link.

The RMTU is a supporter of the Auckland Cross Harbour Rail Link.

The RMTU is a supporter of the Grow Northland Rail Campaign.

The RMTU is a supporter of the Oppose the Ruataniwha Dam Campaign.

The RMTU is a supporter of the Christchurch Keep Our Assets Campaign

The RMTU is currently campaigning to retain the use of Electric Locomotives on the NIMT

The RMTU has a "Just Say No" (red card) campaign that it is actively promoting amongst members. There is also a video available for viewing on the Lyttelton dispute.

The RMTU lends its support to all CTU lead and inspired campaigns (e.g. Forestry, Get out and Vote etc).

HEALTH AND SAFETY

LPC dispute - Following the tragic death of Brad Fletcher- MUNZ Branch Secretary at Lyttelton Port Company (LPC), tensions escalated between LPC and the RMTU. On December 19, 2014 during an overtime ban, there was a shortage of safety critical maintenance staff available. H&S Rep Laurie Collins used the Red Card to cease unsafe work which resulted in the container terminal shutting down for 7 weekends. LPC sought an injunction against the RMTU for an unlawful strike however the Judge rejected LPC's application and encouraged the parties into mediation instead. Following the dispute the RMTU produced a short film documenting the dispute and the use of the red card. Laurie Collins was honoured by receiving the Safeguard Magazine - Most influential employee award in 2016 (KR LE Ian Dixon was also a finalist).

Over the following year the RMTU challenged LPC on their risk management process and worked to develop a joint worker participation agreement that sets out a process for workers to raise and escalate H&S issues within the Port. The agreement was finally reached and signed off in early 2016. The Union continues to challenge unsafe work conditions at the port most recently the security staff have used the Red card in relation to escorting crew on foot across the port with no protection from moving machinery.

The RMTU red card was developed in December 2014 as part of the strategic campaign to educate and encourage workers to use their right to refuse unsafe work. The red card analogy was a 'gift' from LPC CEO Peter Davy who said if workers felt a job was unsafe they could 'red card' the problem. Davies' virtual red card statement was met with contempt by the Port Managers. In September 2014 an RMTU member was seriously abused by an LPC manager for refusing to operate a scissor lift in the wake of Brad Fletcher's death. As a direct response to this incident the RMTU launched the **RMTU Red Card**. The 'red card' campaign fitted well with the existing 'Just Say No' campaign that was launched following the Otira tunnel fume incident which occurred in 2013. The key message of the red card is, if the jobs not safe; say no, the union will back you.

The RMTU red card has been integrated into Delegate Education, Branch AGM's and all KRG Health and safety Reps have received training on what it is, and when to use it.

In April 2016 the Health and Safety at Work Act came into effect. The new law is part of a reform agenda of NZ's health and safety system following the Pike River tragedy in 2010. The new Health and Safety at Work Act is underpinned by a suite of new Regulations including General risk and Workplace Management, Worker engagement, Asbestos and hazardous work. The new law requires a higher standard of health and safety management for Persons in Control of Business Undertaking (PCBUs) and Officers who are required to exercise due diligence in relation to health and safety. The law provides greater powers for elected and trained Health and Safety Reps including the ability to issue Provisional Improvement Notices (PIN) and direct people to stop work likely to cause serious harm.

The RMTU with the support of Hazel Armstrong have been very involved with the legislative changes via our affiliation to the NZ Council of Trade Unions. The RMTU represented affiliates to the MBIE legislative advisory groups on Asbestos, General Risk, Worker participation and high hazards guidance groups.

The training of elected health and safety rep is a priority for the RMTU. 180 KiwiRail Health and Safety Reps have been trained by The CTU's Worksafe Reps programme to date. The training was conducted in house and Hazel Armstrong and Karen Fletcher facilitated the Wellington courses. The Union has focused on reinvigorating the Health and Safety Action Teams at KiwiRail by identifying the HSAT team members and level of H&S training. Elections for H&S reps across KRG were held in October 2015. We are currently compiling an equivalent list of H&S Reps for the Ports.

In the lead up to the Health and Safety Act the Union tried to minimise the negative aspects of the new legislation by renewing and reaffirming agreements with employers around worker participation. Particularly with respect to having elected H&S reps and H&S committees. The Union was successful in developing and renewing EPA's with KiwiRail, Transdev Auckland, Lyttelton Port Company, Port Nelson, Port Napier and Dunedin Rail. There are EPA negotiations underway with Port Tauranga.

The remaining employers declined our request to have agreements. Ports such as Centerport have opted to not have Health and safety Reps, instead they have appointed employer nominated 'health and safety champions' who do not

have the legislative ability to issue PIN notices or carry out the other functions of the H&S rep. Our priority should be to push back against these types of systems and ensure that all sites have elected trained Health and safety Reps.

The RMTU continues to work with KiwiRail and Worksafe NZ around safety in tunnels, this includes meeting regularly with Worksafe to discuss progress regarding the Worksafe improvement notices. The RMTU has arranged worker participation from the 3 regional tunnel groups to attend the Critical Risk network –tunnels meeting. Following an incident in January 2015 where a Hi-Rail vehicle caught fire inside a Wellington rail tunnel, the Union has worked jointly with KRG to implement fire strengthening solutions to the HRV fleet. This involved the participation of the networks industrial council reps.

The Just Fair Culture (JFC) Programme was rolled out in March 2016. 200 KRG Delegates, H&S reps and managers were trained in the process. The RMTU and KRG jointly facilitated the training. JFC is a tool for Delegates/ H&S Reps and Manager to use to identify how unsafe systems have led to unsafe behaviours, with a view to addressing unsafe systems. The tool offers a matrix to identify what the appropriate response should be ranging from commending a worker for great safety behaviour to disciplinary action for a reckless choice decision. One of the main objectives of the programme is to increase confidence amongst members that people will be treated fairly following an incident and the underlying factors will be addressed.

Hutt Mechanical Shops faced a significant asbestos issue in 2015. The cladding (known as galbestos) was found to be disintegrating and asbestos fibres were found both inside and outside the work environment. A joint Union /KRG working group formed with an independent project manager to develop and implement the asbestos management plan. This was a comprehensive plan of encapsulation of the degraded areas of galbestos, air and surface monitoring, and changes to work practices.

KiwiRail have reshuffled the decks again and Dr Bob Stacy previous GM of safety has been replaced by Huw Bridges who was previous the Manager of Safety at Transdev Auckland.

The Union is currently working on joint health and safety projects with KiwiRail including SPADs prevention, Fatigue risk management, and support for workers who've experienced a traumatic event such as a level crossing incident.

The National Rail Safety System (NRSS) continues to operate under the leadership of the NZ Transport Agency. 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.

Following the completion of Ordinary Safety assessments for KiwiRail, Transdev and Dunedin rail, NZTA reports identified risk management to be an area of poor performance by the rail operators. The NZTA initiated a review of risk management in rail with a view to make recommendations to the improvement of NRSS4. The RMTU was excluded from the review's steering group. We voiced our disappointment and general lack of faith in NZTA and were eventually invited to the final steering group meeting. By contrast the Union's relationship with Worksafe NZ is both open and positive. We have trust and confidence in their ability and desire to enforce the H&S at Work Act and improve health and safety across rail and the ports.

H&S in Ports and Rail will remain an area of significant expenditure and time allocation within the RMTU following this Conference.

ACCIDENT INJURY SERVICES

The Union partnered Injury Management Programme continues to be well accepted and implemented within our industries. We continue our joint commitment to injury and wellness with KiwiRail by signing a new agreement with them.

The NMC 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 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. A stand out case for the NMC was for LE “Goldie” Olsen for post-traumatic stress.

The Union is a member of the ACC Futures Coalition and opposes any reduction to the services and benefits of ACC.

The IMP process is clearly laid out in the Union H&S Handbook.

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 to the National Affiliates Council and the General Secretary has represented the RMTU at meetings during the two years. Aubrey Wilkinson the President and Howard Phillips the National Vice President have attended NAC meetings when the General Secretary has been unavailable. The RMTU attended the Biennial CTU Conference.

The following are CTU Committee reps for the Union;

- Runanga - Ray Brown, John Marsh, Manu Barclay and Sam Kahui
- Komiti Pasifika – Telai Safesi and Mel Te Pou. Chris Apisai and Vaughan Davidson attended the Fono with Mel Te Pou
- Youth “Stand Up” section – Campbell Leggett. Alyssa Lobo, Emma Craig, Hamesh Patel, Nani Hunia and Tony Keresoma attended the Youth Conference.
- Woman’s Committee - Christine Borell-Fisihoi.
- Out@Work - Charles Johnston, Bernie Harrison and Mike Nicholson.

Richard Wagstaff is the President of the CTU. Richard has assisted the RMTU during the year on various matters including backgrounding HPHE. The Current Vice president is Rachel Mackintosh and the Vice president Maori is Syd Keepa. The Secretary is Sam Huggard.

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.

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

The RMTU is a strong foundation supporter of the CTU inspired UnionAid scheme. The scheme is modelled on the highly successful Unions Australia APHEDA scheme.

Affiliation Fees have increased during the two years that this report covers.

KIWI RAIL INDUSTRIAL COUNCILS

The Councils comprise elected rank and file delegates with RMTU staff support. Employers bear all costs associated with the operation of the councils for their employee’s and they provide a valuable opportunity for member engagement with the employer. Members who are elected to NMC and who qualify as members of a KiwiRail Council are deemed to be automatically elected onto “that” council and so the position is not open for contest by any other member. The reps to the councils have 2 year terms running concurrently with the NMC terms. Accordingly in 2017 all councils will be up for re-election. The Councils are the industrial clearing houses for all “industrial” issues/initiatives within KiwiRail’s operating divisions. The members of the councils are;

KiwiRail Networks Industrial Council

John Kerr

Jerry Hohepa Infrastructure Mechanical

Vacant Operations Scale 1

Ian Walker Infrastructure Sigs, Comms, Traction

Lou Watene Infrastructure Bridges/Structures
Vacant Infrastructure Track Supervisor
Michael Green Operations Train Control
Brad Claridge Trackworker.

KiwiRail (Freight) Industrial Council

Todd Valster
Tim Kerwin Locomotive Northern
Marty Duncan Terminals Southern
Les Perrin Locomotive Central
Dean Ngatai Terminals Northern
Antoon Whiu CT Sites
Michael Williams (NMC) Locomotive Southern
Rick Barnes Terminals Central

KiwiRail Interisland Industrial Council

Todd Valster
John Finch Ferry Operations (Outside) North
Chris Hanna Scale 1 (inside) North
Tania Haraki Scale 1 (Inside) South
Vernon Steele Ferry Operations (Outside) South

KiwiRail Mechanical Industrial Council

Stuart Johnstone
Craig Davidson TX Maintenance
John Evans North Island Depots
Phil Bosworth Hutt Workshops
Luke James South Island Depots
Logan Kahui Servicing

A number of working parties have been operating within this area as well and we have utilised the industrial council reps and other workplace reps.

AMALGAMATION

There has been no activity during the year on this topic.

LEGAL RESERVE FUND

The Union continues to provide for a legal reserve fund within the investment portfolio of the Union as required by resolution of the inaugural Conference promoted by the LEA. 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 for the Union.

PERSONAL GRIEVANCES AND LEGAL SERVICES

2011/2012 has been a busy year for all forms of litigation.

Notable legal and ACC cases include The Lifejacket Four - Tauranga, Michelle Middleditch – Port Chalmers, Chinese Workers Minimum Wage, Alternative Days, Tauranga RCO's – KiwiRail, Eric Olsen – KiwiRail (ACC) and Unlawful Strike Action - LPC.

A study of the two years financial statements will disclose the expenditure incurred. The current moderate level of litigation shows no signs of abating.

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

INTERNATIONAL**INTERNATIONAL TRANSPORT WORKERS FEDERATION**

The International Transport Workers' Federation (ITF) is an international trade union federation of transport unions. Any independent trade union with members in the transport industry is eligible for membership of the ITF. 654 unions representing 4,500,000 transport workers in 148 countries are members of the ITF. It is one of several Global Federation Unions allied with the International Trade Union Confederation (ITUC).

The ITF's headquarters is located in London and it has offices in Nairobi, Ouagadougou, Tokyo, New Delhi, Rio de Janeiro, Amman, Moscow, Sydney and Brussels.

The RMTU has continued its affiliation with the International Transport Worker's 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 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.

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

Union Officers and delegates have attended a number of ITF events and regular meetings during the two years covered by this report. This Conference has other ITF affiliates from Australia and Great Britain attending.

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. KiwiRail and Transdev are members.

JREU (East Japan Railway Workers Union) and JRU (Confederation of Japan Railway Unions)

Our close and longstanding fraternal relationship with the JREU and JRU has continued during the year.

RTBU (Rail Tram and Bus Union) Australia

The RMTU continues to have a fraternal relationship with the RTBU. Bob Nanva is the current General Secretary. The RTBU continues to be very helpful to the RMTU with information sharing and assistance from time to time. This is gratefully acknowledged and received.

Keith McMahon and Mark Supple from the RTBU loco Division NSW will attend this Conference and will speak during the International Panel Session.

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 2012 as the Australia-NZ rep. The arrangement is that if the GS. Transport and accommodation costs are paid by the ICLS. Members of ICLS include:

<u>Country</u>	<u>Affiliates</u>	<u>Abbrev.</u>
Korea	Korea Railway Workers Union	KRWU
	Seoul Subway Labor Union	SSLU
	Pusan Subway Labor Union	PSLU
	Seoul Metropolitan Rapid Transit Workers Union	SMRTWU
	Daegu Metropolitan Subway Workers Union	DMSWU
	Inchon Subway Labour Union	ISLU
	Wangju Metropolitan Rapid Transit Workers Union	GMRTWU
Japan	East Japan Railway Workers Union	JREU
	West Japan Railway Workers Union	JRWU
	Hokkaido Passenger Railway Labor Union	JRHU
	Japan Freight Railway Workers' Union	JRFU
	Central Japan Railway Workers Union	JRCU
Philippine	Philippine Railway Workers Union	BKM-PNR
	Solidarity of Filipino Workers	BMP
Thailand	The state Railway Workers' union of Thailand	SRUT
Taiwan	Taiwan Railway Labor Union	TRLU

Australia	Australian Rail, Tram & Bus Industry Union	RTBU
New Zealand	Rail and Maritime Transport Union	RMTU
Myanmar	Seafarers' Union of Burma	SUB

An ICLS Forum meeting was held in Seoul South Korea in 2015 and Wayne Butson, Howard Phillips and Sam Kahui attended. The 2016 ICLS Forum is being held in Pattaya Thailand on 16-17 October 2016 and Wayne Butson, Kai'sa Beech and Mike Williams attended.

We have participated during the period of this report in solidarity activities in support of ICLS members/events.

TWU (Transport Workers Union) Australia

Whilst the road transport organising project was the basis for our initial relationship forming and this project has ended we maintain strong fraternal relations with the TWU, especially with the NSW branch.

The NSW TWU holds their Conference in Sydney each year. RMTU was represented by Todd Valster (2015).

It is hoped that we will have TWU officials attending this Conference and will speak during the International panel session.

MUA (Maritime Union of Australia)

The Union continues to have a fraternal relationship with the MUA. RMTU reps have attended MUA hosted meetings during the period covered by this report.

RMT (Rail & Maritime Transport Union of Great Britain)

The Union has developed and maintains a strong fraternal relationship with the RMT since June 2007. In 2014 and RMT rep Derreck Marr (Delboy) attended our National Conference and his participation was greatly appreciated.

National Executive Committee member Brian Pascoe (region 8 South West) will attend this Conference and will speak during the International session.

ASLEF (Associated Society of Locomotive Engineers and Firemen - UK)

The Union has had a strong enduring relationship with ASLEF since the EFCA days.

The General Secretary Mick Whelan, executive members Dave Calfe and Hugh Bradley are attending this Conference and will speak during the International session.

WORKERS' MEMORIAL DAY 2015 and 16

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.

RMTU sponsored or supported services occur at locations throughout NZ but we remain of a view that the RMTU membership could do more to honour their fallen comrades and to fight for the living.

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

Sadly our first workplace death of an RMTU member since 2008 occurred on 26 September 2016. Member Paul Darroch was crushed to death when a pallet of goods fell upon him in Southdown. He is an employee of Toll Networks.

Our practice of commissioning specific yearly posters continues and feedback is sought from delegates to this Conference on whether the practice is worth pursuing.

POLITICAL

In accordance with the policy adopted 2007, and endorsed at each Conference since, the Union is affiliated to the NZ Labour Party. Many members are active within local affiliate committees in electorates. We need many more to become active.

The RMTU has participated in all Labour Party Conferences and Congresses held in 2015 and following this Conference in 2016.

The RMTU is a founding supporter of the left wing blog The Daily Blog and this remains to date.

There is a remit for consideration at this Conference which asks that the Conference discuss our affiliation to the Labour Party.

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 select committee hearing during the period covered by this report.

The Union has supported many rallies held by groups advocating issues of strategic importance to the Union and also rallies convened by other Unions.

BENEFITS OF MEMBERSHIP***NZ RAILWAY STAFF WELFARE TRUST***

The Trust Board operates under and in accordance with the trust deed for the fund. The board comprises 4 RMTU and 4 Employer nominated reps. Current RMTU reps on the Trust Board are Wayne Butson, Howard Phillips, and Sam Kahui together with Edgar Spark as a Group B (retired) rep.

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 complex facilities where a caretaker is based on-site (i.e. Paihia, Orewa, Mount Maunganui 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.

During the period of the report the Trust has completed the construction of a new complex in Meeanee Quay, Napier as a continuation of its strategy for gradual and systematic upgrade of properties. The units were officially opened on 13 October 2016.

Chris Ball is Manager of the trust. He will address this conference. He has advised of his retirement in 2017.

LOCOMOTIVE ENGINEERS SAD TRUST FUND

Currently the Union Trustees are Bill Sweeney, Mike Williams and Wayne Butson.

To date the uptake of new locomotive engineers into the fund has been less than desired outside of KiwiRail. A Trust Fund report will be given to the Rail sector during this Conference. The Trust is in an extremely sound financial position with good returns on investment.

Julia Harrison is Secretary to the trustees and the National Management Committee wish to acknowledge her work and the work of the Union Trustees during the year.

PORTS RETIREMENT PLAN

The Union promotes this industry superannuation plan and they continue to provide a vehicle for employees of Port Companies to participate in an employer subsidised superannuation scheme. The Plan has current assets of more than 50 million dollars under management.

The plan and fund is controlled by two employer Trustees, four Union Trustees, a licensed independent trustee and an independent Chairperson (David Stevens). The four Union trustees currently are Andy Kelly, Wayne Butson, Dion Young and Roy Cowley. The current employer trustees are Sara Lunam from Port Tauranga and Stephen Connolly from Port Otago.

During the period of this report the Trustees have looked at a merger with other scheme's and when that proved to be unfeasible presided over the process for the Scheme to become FMCA Compliant. This has proved to be a most challenging task and the Union is deeply grateful for the tireless work of the Scheme Chair David Stevens in getting us over the finish line. The Scheme had excellent support and advice from Mike Woodbury and his Team at Chapman Tripp and from Melville Jessup Weaver the scheme administrators. To be FMCA compliant the Scheme has had to appoint a licensed independent trustee to the Trust Board and to create a limited liability company which the RMTU controls through a 100% ownership.

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 two year period for the Union.

The NMC believes that the Union is meeting the needs of its members and is being administered and operated competently.

We look forward to a very productive 2017 – 2018. I move the NMC report for adoption.

Wayne Butson
On behalf of the NMC.

APPENDIX C – Audited Financial Statements to 30/06/2015

Rail & Maritime Transport Union Incorporated

Financial Statements

For the Year Ended 30 June 2015



Crowe Horwath
New Zealand Audit Partnership
Member Crowe Horwath International

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INDEPENDENT AUDITOR'S REPORT

To the Members of Rail and Maritime Transport Union Incorporated

Report on the Financial Statements

We have audited the financial statements of Rail and Maritime Transport Union Incorporated (the "Union") on pages 1 to 8, which comprise the statement of financial position as at 30 June 2015, the statement of financial performance and statement of movements in members' fund for the year then ended, and a summary of significant accounting policies and other explanatory information.

National Management Committee's Responsibility for the Financial Statements

The Committee members are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Committee members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our firm provides accounting and taxation services to the Union. The firm has no other relationship with, or interests in, the Union.

Opinion

In our opinion, the financial statements on pages 1 to 8 present fairly, in all material respects, the financial position of the Union as at 30 June 2015 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

A handwritten signature in blue ink that reads "Crowe Horwath".

Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
16 September 2015

Crowe Horwath New Zealand Audit Partnership is a member of Crowe Horwath International, a Swiss Verein. Each member firm of Crowe Horwath is a separate and independent legal entity.

Rail & Maritime Transport Union Inc
Statement of Financial Performance
For the Year Ended 30/06/2015

INCOME	Note	2015	2014
Dividends Received		19,857	19,213
Interest Received		142,493	121,484
LE Superannuation Trust Fund Administration		33,652	33,431
NZ Harbours Super Fund Administration		10,954	10,944
Profit on Sale of Assets		-	556
Subscriptions - Union Fees		1,652,982	1,606,899
Subscriptions Strike Fund		44,984	44,278
Subscriptions Solidarity Levy		22,466	22,176
Shared Use of Premises Income		16,417	20,350
Sundry Income		913	-
Unrealised Gain on Shares		74,629	61,008
		2,019,346	1,940,339

EXPENDITURE

Administration: General

Affiliation Fees	42,603	40,466
Audit Fees	8,735	7,900
Bank Fees	1,446	1,286
Cleaning	5,769	6,112
Communications	26,281	23,037
Conferences & Seminars	9,014	18,356
CTU Conferences & Seminars	17,216	13,210
Depreciation	36,900	38,884
Donations	50,204	13,510
Hardship Fund Expenditure	3,939	-
Electricity	4,553	4,604
E W File & Branch Scholarships	3,000	4,200
Funeral Expenses	14,377	3,343
General Expenses	5,247	4,042
Insurance	17,230	12,651
International Transport Workers' Federation	15,030	29,986
Legal Expenses	15,159	4,526
Biennial Conference Expenses	43,191	25,874
Meeting Expenses: Branches	11,264	10,182
Meeting Expenses: National Management Committee	17,624	16,899
Overseas Unions & Organisations	17,252	4,283
Postage Couriers & Freight	7,420	9,162
Printing & Photocopying	36,667	46,017
Professional Fees	16,515	2,645
Loss on Sale of Assets	4,407	814
Publications & Subscriptions	2,936	2,511
Rental	63,760	59,377
Railways Welfare Subscriptions	1,030	1,090
Repairs & Maintenance	37,242	20,177
Security	1,150	1,803
Social Expenses	10,666	8,856
Spirit of Adventure Sponsorship	-	1,950
Stationery & Equipment	21,660	18,977
Union Magazine	37,158	37,471
Welfare Payments	946	841
	607,589	495,043

Administration: Staff	Note	2015	2014
ACC Levies		2,157	2,538
Fringe Benefit Tax		12,424	11,866
Motor Vehicle Expenses		57,045	60,858
Salaries		647,420	625,490
Staff Education & Training		6,544	7,118
Staff Leave		18,964	750
Superannuation		59,722	51,648
		<hr/> 804,276	<hr/> 760,268
Administration: Industrial			
ACC Member Services		29,597	11,889
Branch Honoraria & Expenses		46,434	36,716
Branch Visits		27,856	29,109
Campaigns & Special Projects		17,298	11,100
Ports Forum		29,997	-
Women's Forum		22,737	-
Contract Negotiations: Branches		1,274	252
Contract Negotiations: Ports		33,678	21,252
Contract Negotiations: Rail		14,362	24,190
Industrial Councils		1,134	1,760
Delegates' Training		11,966	12,082
Labour Party Conference & Affiliates Meetings		2,131	6,295
Personal Grievances Disputes		43,654	63,088
Health & Safety Management		15,563	43,012
Lyttelton Port Company Health & Safety Issues		50,166	-
Workers' Memorial Day		4,487	4,742
Unrealised Loss on Shares		680	1,086
		<hr/> 353,014	<hr/> 266,575
Total Expenditure		<hr/> 1,764,879	<hr/> 1,521,886
Net Surplus before Tax		<hr/> 254,466	<hr/> 418,453
Provision for Taxation	2	39,385	33,195
Net Surplus / (Deficit) for Year		<hr/> \$ 215,081 <hr/>	<hr/> \$ 385,258 <hr/>

**Rail & Maritime Transport Union Inc
Statement of Movements in Members' Funds
For the Year Ended 30/06/2015**

	Accumulated Funds	Strike Fund Reserve	Solidarity Fund Reserve	Total Equity
Balance 1 July 2014	3,716,684	309,975	36,650	4,063,309
Net Surplus/(Deficit) for the Year	215,081	-	-	215,081
Prior Year Tax Adjustment	620	-	-	620
Transfer of Accumulated Funds to Strike Fund	(44,984)	44,984	-	-
Transfer of Accumulated Funds to Solidarity Fund	(22,466)	-	22,466	-
Balance 30 June 2015	\$ 3,864,935	\$ 354,959	\$ 59,116	\$ 4,279,010
Balance 1 July 2013	3,397,880	265,697	14,474	3,678,051
Net Surplus/(Deficit) for the Year	385,258	-	-	385,258
Prior Year Tax Adjustment	-	-	-	-
Transfer of Accumulated Funds to Strike Fund	(44,278)	44,278	-	-
Transfer of Accumulated Funds to Solidarity Fund	(22,176)	-	22,176	-
Balance 30 June 2014	\$ 3,716,684	\$ 309,975	\$ 36,650	\$ 4,063,309

Rail & Maritime Transport Union Inc
Statement of Financial Position
As At 30/06/2015

CURRENT ASSETS	Note	2015	2014
Current Bank Accounts	5	461,467	339,899
Accounts Receivable	3	39,203	34,872
Interest Accrued	4	59,693	49,842
Tax Refund Due	2	1,045	1,595
Total Current Assets		561,408	426,208
NON CURRENT ASSETS			
Fixed Assets	6	131,525	151,217
Investments	7	3,826,519	3,669,344
Total Non Current Assets		3,958,044	3,820,561
Total Assets		4,519,452	4,246,769
CURRENT LIABILITIES			
Accounts Payable	8	134,663	93,356
GST Payable		19,230	22,519
Konemu Provision		6,452	6,452
Income Tax Payable		-	-
Provision for Leave		73,246	54,282
Veteran's Reunion Fund		6,850	6,850
Total Current Liabilities		240,441	183,460
NON CURRENT LIABILITIES			
Non Current Liabilities		-	-
Total Non Current Liabilities		-	-
NET ASSETS		\$ 4,279,010	\$ 4,063,309
Represented by:			
MEMBERS' FUNDS		\$ 4,279,010	\$ 4,063,309

Signed on behalf of the National Management Committee

Wayne Butson
 General Secretary

16 Sep 2015
 Date

Aubrey Wilkinson
 National President

16 Sep 2015
 Date

Rail & Maritime Transport Union Inc

Notes to the Financial Statements

For the Year Ended 30/06/2015

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

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

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.

The financial statements have been prepared in accordance with NZ GAAP.

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, 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 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.

Goods and Services Tax

The Statement of Financial Performance 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 in equity investments are valued at market value. Changes in market value are taken to the Statement of Financial Performance. Investments in term deposits are generally held until maturity and therefore held at cost.

Operating Leases

Operating lease payments have been included as expenses in the Statement of Financial Performance 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.

Rail & Maritime Transport Union Inc **Notes to the Financial Statements** **For the Year Ended 30/06/2015**

1 STATEMENT OF ACCOUNTING POLICIES (Continued)

Taxation

All non-member income including investment income is taxable for income tax purposes. The Union receives a \$1,000 exemption from income.

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.

	2015	2014
	\$	\$
2 <u>TAXATION</u>		
Interest & Dividends Received (incl: Imputation Credits)	170,072	146,907
Less: \$1,000 exemption	(1,000)	(1,000)
Allowable Deductions	(833)	(668)
Taxable Income	168,239	145,239
Tax on Taxable Income	47,107	40,667
Less: Imputation Credits	(7,722)	(7,472)
	39,385	33,195
Tax Due:		
being National Office	29,444	24,882
being Branches	9,941	8,313
	39,385	33,195
Less: Taxation Paid (incl: RWT & Provisional Tax)	(40,430)	(34,791)
Taxation Payable / (Refund Due)	(1,045)	(1,595)

3 ACCOUNTS RECEIVABLE

Accounts Receivable consists of:

National Office Receivables	34,671	28,787
Branch Receivables	4,532	6,085
	39,203	34,872

4 INTEREST ACCRUED

Interest Accrued consists of:

National Office Accruals	51,345	42,654
Branch Accruals	8,348	7,189
	59,693	49,842

Rail & Maritime Transport Union Inc
Notes to the Financial Statements
For the Year Ended 30/06/2015

	2014 \$	2014 \$
5 <u>BANK</u>		
Bank Consists of:		
Bank of NZ - Call Account	126,919	85,189
Bank of NZ - Call Account - Nelson Branch	9,987	9,883
Bank of NZ - Current Account	112,597	39,321
Bank of NZ - Current Accounts - Branches	210,855	204,677
Westforce Credit Union - Savings Account	235	235
Petty Cash	874	592
	461,467	339,899
6 <u>FIXED ASSETS</u>		
Leasehold Alterations	64,413	64,413
Less: Accumulated Depreciation	21,966	16,972
Book Value	42,447	47,441
Motor Vehicles	103,435	99,478
Less: Accumulated Depreciation	33,450	21,738
Book Value	69,985	77,741
Office Furniture & Equipment	99,333	96,667
Less: Accumulated Depreciation	80,240	70,632
Book Value	19,094	26,035
TOTAL FIXED ASSETS	267,181	260,559
Less: Accumulated Depreciation	135,656	109,342
	131,525	151,217
7 <u>INVESTMENTS</u>		
Investments consist of:		
BNZ - Legal Reserve Account	400,000	400,000
BNZ - Term Deposits	591,888	575,488
BNZ - Term Deposits - Branches	268,559	256,988
Credit Union Baywide - Term Investments	464,427	452,400
KiwiBank - Term Deposit	209,214	203,223
The Co-operative Bank - Term Investment	1,208,973	1,172,151
Westforce Credit Union - Term Investment	14,027	13,611
Auckland International Airport Common Stock	27,154	19,664
Northland Port Corporation Common Stock	11,400	12,080
Port of Tauranga Shares	630,878	563,740
	3,826,519	3,669,344
8 <u>ACCOUNTS PAYABLE</u>		
Accounts Payable consists of:		
National Office Payables	119,869	92,718
Branch Payables	14,794	638
	134,663	93,356

Rail & Maritime Transport Union Inc
Notes to the Financial Statements
For the Year Ended 30/06/2015

9 FINANCIAL INSTRUMENTS

The carrying amount of all material 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, The Co-operative Bank and local Credit Unions. The union has no exposure to foreign currency risk.

10 Operating Lease Commitments

	2015	2014
	\$	\$
Current	18,533	-
Non Current	-	-
Total	<u>18,533</u>	<u>-</u>

APPENDIX D – Audited Financial Statements to 30/06/2016

Rail & Maritime Transport Union Incorporated

Financial Statements

For the Year Ended 30 June 2016



Crowe Horwath
New Zealand Audit Partnership
 Member Crowe Horwath International
 Level 1, Crowe Horwath House
 57 Willis Street
 Wellington 6011 New Zealand

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INDEPENDENT AUDITOR'S REPORT

To the Members of Rail and Maritime Transport Union Incorporated

Report on the Performance Report

We have audited the accompanying performance report of Rail and Maritime Transport Union Incorporated (the "Union") on the attached pages, which comprises the entity information, statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2016, the statement of financial position as at 30 June 2016, and the statement of significant accounting policies and other explanatory information.

National Management Committee's Responsibility for the Performance Report

The Committee Members are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
 - (b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report
- in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for such internal control as the Committee Members determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the performance report based on our audit. We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial performance report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the performance report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the

Crowe Horwath New Zealand Audit Partnership is a member of Crowe Horwath International, a Swiss Verein. Each member firm of Crowe Horwath is a separate and independent legal entity.



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appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the performance report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Opinion

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report on the attached pages presents fairly, in all material respects;
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of the Union as at 30 June 2016 and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
15 September 2016

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Rail & Maritime Transport Union Inc
Consolidated Statement of Financial Performance
For the Year Ended 30/06/2016

INCOME	Note	2016	2015
Dividends Received		20,699	19,857
Interest Received		131,405	142,493
LE Superannuation Trust Fund Administration		32,817	33,652
NZ Harbours Super Fund Administration		9,198	10,954
Subscriptions - Union Fees		1,679,222	1,652,982
Subscriptions Strike Fund		45,355	44,984
Subscriptions Solidarity Levy		22,521	22,466
Shared Use of Premises Income		15,624	16,417
Sundry Income		-	913
Unrealised Gain on Shares		90,166	74,629
		2,047,007	2,019,346
EXPENDITURE			
Administration: General			
Affiliation Fees		44,309	42,603
Audit Fees		9,770	8,735
Bank Fees		1,509	1,446
Cleaning		6,003	5,769
Communications		16,772	26,281
Conferences & Seminars		16,523	9,014
CTU Conferences & Seminars		26,670	17,216
Depreciation		36,243	36,900
Donations		16,902	50,204
Hardship Fund Expenditure		1,678	3,939
Electricity		4,179	4,553
E W File & Branch Scholarships		(5,360)	3,000
Funeral Expenses		11,973	14,377
General Expenses		4,082	5,247
Insurance		16,817	17,230
International Transport		4,857	15,030
Legal Expenses		74,434	15,159
Biennial Conference Expenses		3,148	43,191
Meeting Expenses: Branches		12,404	11,264
Meeting Expenses: National Management Committee		23,951	17,624
Overseas Unions & Organisations		30,021	17,252
Postage Couriers & Freight		7,280	7,420
Printing & Photocopying		39,968	36,667
Professional Fees		3,269	16,515
Loss on Sale of Assets		666	4,407
Publications & Subscriptions		4,746	2,936
Rental		63,659	63,760
Railways Welfare Subscriptions		1,390	1,030
Repairs & Maintenance		26,986	37,242
Security		1,235	1,150
Social Expenses		8,464	10,666
Spirit of Adventure Sponsorship		2,588	-
Stationery & Equipment		30,760	21,660
Union Magazine		35,184	37,158
Welfare Payments		3,166	946
		586,247	607,589

Administration: Staff

ACC Levies	2,373	2,157
EAP Services	1,070	-
Fringe Benefit Tax	13,482	12,424
Motor Vehicle Expenses	57,635	57,045
Salaries	646,341	647,420
Staff Education & Training	6,918	6,544
Staff Leave	10,040	18,964
Superannuation	60,708	59,722
	<hr/> 798,568	<hr/> 804,276

Administration: Industrial

ACC Member Services	19,035	29,597
Branch Capitation, Honoraria & Expenses	106,466	46,434
Branch Visits	28,075	27,856
Campaigns & Special Projects	22,546	17,298
Ports Forum	-	29,997
Women's Forum	8,263	22,737
Contract Negotiations: Branches	561	1,274
Contract Negotiations: Ports	15,746	33,678
Contract Negotiations: Rail	50,830	14,362
Industrial Councils	537	1,134
Delegates' Training	4,890	11,966
Labour Party Conference & Affiliates Meetings	5,554	2,131
Personal Grievances Disputes	83,017	43,654
Health & Safety Management	13,387	15,563
Lyttelton Port Company Health & Safety Issues	914	50,166
Workers' Memorial Day	3,629	4,487
Loss on Shares	-	680
	<hr/> 363,450	<hr/> 353,015

Total Expenditure

1,748,265 1,764,880

Net Surplus before Tax

298,742 254,466

Provision for Taxation

2 36,278 39,385

Prior Year Tax Adjustment

(561) (620)

Net Surplus / (Deficit) for Year

\$ 263,025 \$ 215,701

**Rail & Maritime Transport Union Inc
Statement of Movements in Members' Funds
For the Year Ended 30/06/2016**

	Accumulated Funds	Strike Fund Reserve	Solidarity Fund Reserve	Total Equity
Balance 1 July 2015	3,864,935	354,958	59,117	4,279,010
Net Surplus/(Deficit) for the year	262,464	-	-	262,464
Prior Year Tax Adjustment	561	-	-	561
Transfer of Accumulated Funds to Strike Fund	(45,355)	45,355	-	-
Transfer of Accumulated Funds to Solidarity Fund	(22,521)	-	22,521	-
Balance 30 June 2016	\$ 4,060,083	\$ 400,313	\$ 81,638	\$ 4,542,035
Balance 1 July 2014	3,716,683	309,975	36,651	4,063,309
Net Surplus/(Deficit) for the year	215,081	-	-	215,081
Prior Year Tax Adjustment	620	-	-	620
Transfer of Accumulated Funds to Strike Fund	(44,984)	44,984	-	-
Transfer of Accumulated Funds to Solidarity Fund	(22,466)	-	22,466	-
Balance 30 June 2015	\$ 3,864,935	\$ 354,958	\$ 59,117	\$ 4,279,010

Rail & Maritime Transport Union Inc
Statement of Financial Position
As At 30/06/2016

CURRENT ASSETS	Note	2016	2015
Current Bank Accounts	5	456,151	461,467
Accounts Receivable	3	54,484	39,203
Interest Accrued	4	52,968	59,693
Tax Refund Due	2	6,598	1,045
Investments	7	1,831,359	-
Total Current Assets		2,401,561	561,408
NON CURRENT ASSETS			
Fixed Assets	6	133,698	131,525
Investments	7	2,270,118	3,826,519
Total Non Current Assets		2,403,817	3,958,044
Total Assets		4,805,377	4,519,452
CURRENT LIABILITIES			
Accounts Payable	8	147,656	134,663
GST Payable		19,099	19,230
Konemu Provision		6,452	6,452
Income Tax Payable		-	-
Provision for Leave		83,286	73,246
Veteran's Reunion Fund		6,850	6,850
Total Current Liabilities		263,343	240,441
NON CURRENT LIABILITIES			
Non Current Liabilities		-	-
Total Non Current Liabilities		-	-
NET ASSETS		\$ 4,542,035	\$ 4,279,010
Represented by:			
MEMBERS' FUNDS		\$ 4,542,035	\$ 4,279,010

Signed on behalf of the National Management Committee

General Secretary 14 September 2016
Date

National President 14 September 2016
Date

Rail & Maritime Transport Union Inc
Statement of Service Performance
For the Year Ended 30/06/2016

Description and Quantification (to the extent practicable) of the Entity's Outputs:*	Actual * This Year	Budget ** This Year	Actual Last Year
** Budget figures are National Office's only	263,025	127,076	215,701
Net Surplus / (Deficit) for Year	\$ 263,025	\$ 127,076	\$ 215,701

Rail & Maritime Transport Union Inc
Statement of Cash Flows
For the Year Ended 30/06/2016

	Actual This Year \$	Actual Last Year \$
Cash flows from Operating Activities		
Cash was received from:		
Fees, subscriptions and other revenue from members	1,626,533	1,686,183
Interest, dividends and other investment revenue	131,405	162,350
Other Revenue	-	-
Cash was applied to:		
Payments to suppliers and employees	1,724,173	1,709,076
Donations or grants paid	-	-
Net Cash Flows from Operating Activities	33,765	139,457
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of property, plant and equipment	-	-
Receipts from the sale of investments	-	-
Proceeds from loans borrowed from other parties	-	-
Capital contributed from owners or members	-	-
Cash was applied to:		
Payments to acquire property, plant and equipment	39,082	17,888
Payments to purchase investments	-	-
Repayments of loans borrowed from other parties	-	-
Capital repaid to owners or members	-	-
Net Cash Flows from Operating Activities	- 39,082	- 17,888
Net Increase / (Decrease) in Cash	(5,316)	121,569
Opening Cash	461,467	339,899
Closing Cash	456,151	461,467
This is represented by:		
Bank Accounts and Cash	456,151	461,467

Rail & Maritime Transport Union Inc

Notes to the Financial Statements

For the Year Ended 30/06/2016

1 **STATEMENT OF ACCOUNTING POLICIES**

Reporting Entity

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

Basis of Preparation

The Rail & Maritime Transport Union Inc has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. In respect of the investments of the Society has adopted PBE-IPSAS 29 Financial Investment Recognition and Measurement.

All transactions in the Performance Report are reported using the accrual basis of accounting.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Particular Accounting Policies

The particular accounting policies which materially affect the measurement of results, 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 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.

Goods and Services Tax

The Statement of Financial Performance 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

In accordance with PBE-IPSAS 29 investments in equity investments are valued at market value through surplus/deficit. Investments in term deposits are generally held until maturity and therefore held at cost.

Operating Leases

Operating lease payments have been included as expenses in the Statement of Financial Performance 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.

Rail & Maritime Transport Union Inc
Notes to the Financial Statements
For the Year Ended 30/06/2016

1 STATEMENT OF ACCOUNTING POLICIES (Continued)

Taxation

All non-member income including investment income is taxable for income tax purposes. The Union receives a \$1,000 exemption from income.

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.

	2016	2015
	\$	\$
2 TAXATION		
Net Surplus before Tax	263,024	254,466
Less: Non-Taxable/Deductible Member Income and Expenditure	(21,592)	(19,000)
Less: Gain on value of shares	(90,166)	(73,949)
Add: Imputation Credits	8,050	7,722
	<u>159,316</u>	<u>169,239</u>
Less: \$1,000 exemption	(1,000)	(1,000)
Taxable Income	<u>158,316</u>	<u>168,239</u>
Tax on Taxable Income	47,495	50,472
Less: Imputation Credits	8,050	7,722
	<u>55,544</u>	<u>58,194</u>
Prior Period Adjustment	(561)	(620)
Provision for Taxation	<u>54,984</u>	<u>57,574</u>
Opening Taxation Payable / (Refund Due)	(1,045)	1,595
Provision for Taxation	35,718	40,005
Less: Net Taxation Paid (incl: RWT & Provisional Tax)	(41,271)	(42,645)
Taxation Payable / (Refund Due)	<u>(6,598)</u>	<u>(1,045)</u>
3 ACCOUNTS RECEIVABLE		
Accounts Receivable consists of:		
National Office Receivables	45,815	34,671
Branch Receivables	8,669	4,532
	<u>54,484</u>	<u>39,203</u>
4 INTEREST ACCRUED		
Interest Accrued consists of:		
National Office Accruals	45,706	51,345
Branch Accruals	7,262	8,348
	<u>52,968</u>	<u>59,693</u>

Rail & Maritime Transport Union Inc
Notes to the Financial Statements
For the Year Ended 30/06/2016

	2016 \$	2015 \$
5 <u>BANK</u>		
Bank Consists of:		
Bank of NZ - Call Account	118,471	126,919
Bank of NZ - Call Account - Nelson Branch	10,077	9,987
Bank of NZ - Current Account	114,738	112,597
Bank of NZ - Current Accounts - Branches	212,167	210,855
Westforce Credit Union - Savings Account	235	235
Petty Cash	462	874
	456,151	461,467
6 <u>FIXED ASSETS</u>		
Leasehold Alterations	64,413	64,413
Less: Accumulated Depreciation	26,961	21,966
Book Value	37,452	42,447
Motor Vehicles	106,943	103,435
Less: Accumulated Depreciation	26,718	33,450
Book Value	80,225	69,985
Office Furniture & Equipment	71,891	99,333
Less: Accumulated Depreciation	55,870	80,240
Book Value	16,020	19,094
TOTAL FIXED ASSETS	243,247	267,181
Less: Accumulated Depreciation	109,549	135,656
	133,698	131,525
7 <u>INVESTMENTS</u>		
Investments consist of:		
BNZ - Legal Reserve Account	400,000	400,000
BNZ - Term Deposits	609,716	591,888
BNZ - Term Deposits - Branches	278,772	268,559
Credit Union Baywide - Term Investments	481,622	464,427
KiwiBank - Term Deposit	215,840	209,214
The Co-operative Bank - Term Investment	1,241,470	1,208,973
The Co-operative Bank - Term Investment	100,000	-
Westforce Credit Union - Term Investment	14,460	14,027
Auckland International Airport Common Stock	35,802	27,154
Northland Port Corporation Common Stock	12,280	11,400
Port of Tauranga Shares	711,516	630,878
	4,101,478	3,826,519
8 <u>ACCOUNTS PAYABLE</u>		
Accounts Payable consists of:		
National Office Payables	106,310	119,869
Branch Payables	41,345	14,794
	147,656	134,663

Rail & Maritime Transport Union Inc
Notes to the Financial Statements
For the Year Ended 30/06/2016

	2016 \$	2015 \$
9 <u>FINANCIAL INSTRUMENTS</u>		
<p>The carrying amount of all material 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, The Co-operative Bank and local Credit Unions. The union has no exposure to foreign currency risk.</p>		
10 <u>OPERATING LEASE COMMITMENTS</u>		
Current	55,832	18,533
Non Current	77,443	-
	133,275	18,533
11 <u>AUDITORS REMUNERATION</u>		
<i>Fees charged by Audit Firm</i>		
Financial Statement Audit	6,500	8,735
Tax services	5,690	13,100
	12,190	21,835
12 <u>EVENTS AFTER BALANCE DATE</u>		
<p>No events have occurred after balance date that would have a material impact on the Performance Report.</p>		
13 <u>EVENTS AFTER BALANCE DATE</u>		
<p>The Union is engaged in litigation with KiwiRail. The expected cost of this litigation are in excess of \$50,000 (excluding GST).</p>		

APPENDIX E**Budget to 30 June 2017**

		Actual	Budget	Budget
		@ 30/06/2016	@ 30/06/2017	@ 30/06/2016
Income				
Interest Received (gross)	4130	119,275.93	94,730.53	122,379.10
LE Superannuation Trust Fund Administration	4140	32,816.62	33,500.00	33,000.00
NZ Harbours Super Fund Administration	4160	9,197.87	10,000.00	11,000.00
Subscriptions - Union Fees	4180	1,622,077.67	1,649,841.70	1,577,718.24
Subscriptions - Strike Fund	4181	45,355.00	49,765.48	45,611.92
Subscriptions - Solidarity Levy	4182	22,521.36	27,356.44	23,387.92
Shared Use of Premises Income	4195	15,623.84	15,565.56	15,606.00
Sundry Income	4200	0.00	100.00	100.00
		1,866,868.29	1,880,859.71	1,828,803.18
Expenditure				
Administration				
Affiliation Fees	5120	44,308.66	46,000.00	42,187.40
Audit Fees	5130	9,770.00	9,500.00	7,900.00
Bank Charges	5140	1,457.85	1,487.00	1,400.00
Cleaning	5150	3,916.58	4,000.00	4,040.00
Communications	5170	14,945.94	15,253.08	23,400.00
Conferences & Seminars	5180	15,981.57	15,000.00	7,000.00
CTU Conferences & Seminars	5190	24,564.73	25,000.00	15,000.00
Depreciation: Office Furniture & Equipment	5200	11,718.93	10,898.21	14,135.16
Depreciation: Leasehold Alterations	5210	3,882.36	3,882.35	3,882.35
Depreciation: Motor Vehicles	5220	19,080.45	19,249.80	23,306.09
Donations	5230	10,703.69	10,000.00	41,500.00
Electricity	5250	4,178.62	4,387.55	4,879.89
EW File Scholarship	5260	(6,360.00)	5,000.00	3,000.00
Funeral Benefit	5270	10,105.00	10,000.00	12,000.00
General Expenses	5280	3,827.61	4,000.00	4,500.00
Insurance	5290	16,816.96	16,147.74	14,000.00
International Transport Workers' Federation	5310	3,357.39	17,000.00	30,000.00
Legal Services	5330	74,434.25	90,000.00	5,000.00
Loss on Sale of Assets	5420	665.69	0.00	0.00
National Biennial Conference Expenses	5350	3,147.63	35,000.00	30,000.00
NMC Expenses	5360	23,951.31	25,000.00	17,000.00
Overseas Unions	5380	30,020.53	30,000.00	15,000.00
Postages & P O Box Rental	5390	6,461.00	7,000.00	8,500.00
Printing	5400	39,869.71	40,000.00	50,000.00
Professional Fees	5410	3,269.00	3,000.00	2,000.00
Publications & Subscriptions	5430	4,726.29	3,000.00	3,000.00
Rental	5440	63,658.61	65,000.00	64,000.00
Repairs & Maintenance	5470	25,970.12	26,000.00	28,000.00
Security	5480	1,235.11	1,500.00	2,500.00
Social Functions	5490	3,136.37	3,500.00	3,500.00
Stationery & Equipment	5520	24,743.66	20,000.00	17,000.00
Union Journal	5530	35,184.00	36,000.00	40,000.00
		532,729.62	601,805.72	537,630.87
Staff				
Accident Compensation Levies	6110	2,373.26	1,773.50	2,156.59
EAP Services	6115	1,070.00	4,000.00	0.00
Fringe Benefit Tax	6120	13,482.20	13,515.59	12,069.66
Motor Vehicle Expenses	6130	57,635.44	60,000.00	63,000.00
Salaries	5140	628,406.55	670,000.00	678,000.00
Staff Education & Training	6150	6,918.48	7,000.00	10,000.00
Staff Leave	6160	10,039.85	70,000.00	54,282.46
Superannuation	6170	59,273.04	62,000.00	59,651.56
		779,198.82	888,289.09	879,160.27

Industrial

ACC Member Services	7110	19,034.65	20,000.00	15,000.00
Branch Capitation & Expenses	7130	63,875.50	77,000.00	58,497.00
Branch Site Visits	7140	28,075.47	30,000.00	35,000.00
Ports Forum	7152	0.00	0.00	12,500.00
Women's Forum	7154	4,648.85	0.00	12,500.00
Campaigns & Special Projects (incl Greenfield sites)	7150	18,849.80	20,000.00	15,000.00

Collective Agreement Negotiations:

NOM*

Expires: G/L Code:

- C3 Limited

- General Collective	160	30/11/2015	7160-C3LTDD	10,288.19	10,000.00	5,000.00
- On Board Lashing Collective	39	28/05/2018				

- CAF New Zealand Ltd

	0		7160-CAFNZL	3,430.78	3,000.00	0.00
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- Centreport Ltd

	34	9/10/2017	7160-CNTPRT	0.00	0.00	50.00
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- Champion Flour Mills (Goodman Fielder)

	34	31/07/2016	7160-CHAMPI	0.00	500.00	100.00
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- Cityline Hutt Valley Ltd

	4	6/12/2016	7160-CITYLN	0.00	100.00	100.00
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- Electrix

	0	N/A	7160-ELECTX	0.00	500.00	0.00
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- IXOM Operations Pty Ltd

	33	31/07/2017			0.00	
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- KiwiRail Ltd

	2,132	N/A	7160-KIWIRA	40,072.96	5,000.00	20,000.00
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- Lyttelton Port of Christchurch

- General Collective	165	7/09/2017	7160-LYTPCO	1,197.81	1,000.00	5,000.00
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- Inland Port Collective

	36	30/09/2018				
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- Logistics Officers Collective

	11	16/01/2018				
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- Napier Port Ltd

- General Collective	150	30/09/2017	7160-PTNAPR	459.39	500.00	1,000.00
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- Gotwald Crane Drivers Collective

	8	30/06/2018	7160-PTNAPR		0.00	
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- North Tugz

	8	30/06/2016	7160-NHTUG	217.62	500.00	100.00
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- NZ Bus - GO Wellington

	4	30/06/2016	7160-NZBUSS	7.01	100.00	0.00
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- Port Marlborough (NZ) Ltd

	40	30/06/2016	7160-PTMARL	20.00	1,000.00	100.00
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- Port Nelson Ltd

	112	25/06/2017	7160-PTNELS	0.00	100.00	2,000.00
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- Port of Tauranga Ltd

	75	31/03/2017	7160-PTTAUR	78.26	100.00	2,000.00
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- Port Otago Ltd

	69	9/07/2017	7160-PTOTAG	263.00	500.00	100.00
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- Port Taranaki Ltd

- General Collective	47	3/04/2016	7160-PTTARK	2,679.15	2,000.00	500.00
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- Launchmasters Collective

	3	29/03/2015	7160-PTTARK		300.00	
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- Prime Port Timaru Ltd

	15	21/07/2015	7160-PTTIMR	111.91	500.00	500.00
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- Quality Marshalling Ltd

	17	30/06/2018	7160-QMARSH	430.52	500.00	0.00
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- Southport + New Zealand Ltd

	3	30/06/2014	7160-STHPRT	0.00	0.00	
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- Taieri Gorge Railway

	30	8/08/2016	7160-TAEIRI	100.49	100.00	1,000.00
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- Toll Networks

	188	30/06/2016	7160-TOLLNW	263.48	1,000.00	1,000.00
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- Transdev Auckland Ltd

	570	30/06/2017	7160-TRANSD	5,298.03	1,000.00	3,000.00
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- Transdev Wellington Ltd

	395	30/06/2016	7160-TRNSDW	1,657.51	1,000.00	0.00
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- Individual Agreements

	296					
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- Honorary Members

	18					
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4,696

Council Meetings	7170	537.09	1,000.00	2,000.00
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Delegates' Training	7190	4,890.46	10,000.00	13,000.00
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Health & Safety Management	7240	13,386.54	15,000.00	50,000.00
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Lyttelton Port Company - Health & Safety Issues	7241	864.82	0.00	0.00
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Labour Party Affiliates Meetings	7220	5,553.50	2,000.00	7,000.00
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Personal Grievances & Compliance	7230	83,016.61	80,000.00	70,000.00
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Workers' Memorial Day	7250	3,190.18	4,000.00	4,000.00
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312,499.58 288,300.00 336,047.00

Total Expenditure

1,624,428.02 1,778,394.81 1,752,838.14

Income Over (Expenditure) Before Tax

242,440.27 102,464.90 75,965.04

Resident Withholding Tax Paid

37,474.30 31,676.94 37,007.72

Prior Year Tax Adjustment

(560.52) 0.00 0.00

Historical WHT Tax on Honoraria

24,346.92 0.00 0.00

Income Over (Expenditure) After Tax

181,179.57 70,787.96 38,957.32

Provision for Capital Expenditure *

- Purchase of Assets	1740	56,907.82	45,000.00	36,000.00
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56,907.82 45,000.00 36,000.00

Income Over (Expenditure)

\$ 124,271.75 \$ 25,787.96 \$ 2,957.32

All figures are GST Exclusive