

# THE ACTIVIST



Published Regularly - ISSN 1178-7392 (Print & Online) 30 January 2009

## KR – VEOLIA MECA –UPDATE

### VEOLIA –

The result of the recent Veolia ratification ballot is a shown below –

- Total ballot papers issued – 254
- Total ballot papers returned - 31
- Total ballot papers returned invalid – 1
- Total ballot papers reject settlement – 30 (11.9%)
- Total ballot papers accept settlement – 223 (88.1%)

### 88.1% OF MEMBERS VOTED TO ACCEPT THE RECOMMENDED SETTLEMENT

Therefore the NEW Collective Agreement inclusive of new or varied terms and conditions will be signed by the union on behalf of RMTU members employed by Veolia Transport Ltd.

The RMTU, Veolia and KiwiRail are finalising the updating of the Collective Agreement and expect it to be signed very soon.

## VEHICLE TRANSPORT ALLOWANCE – UNITED GROUP RAIL

As regular readers of The Activist know UGL Rail unilaterally began deducting tax from this previously tax free treated allowance without consulting anyone. The RMTU has been endeavoring to get UGL to refund the tax deducted and to have UGL treat the allowance as tax free which is how all other industry employers treat the allowance.

In an effort to resolve the

matter UGL has sought a ruling from IRD. The ruling appears to support UGL’s taxing of the allowance. The RMTU has a copy of the IRD response and is considering it. The fact that IRD have now issued a ruling on the matter may have implications for the taxation status of the allowance with other industry employers.

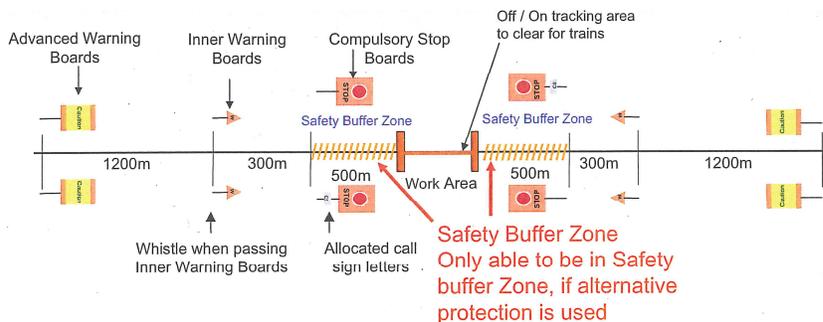
Meanwhile the HR Manager for UGL Jenny Kuttel has replied as follows to the Union;

*The letter from the IRD is quite clear that the transport allowance is subject to tax. Therefore UGL Rail does not intend to change the way this allowance is processed through the payroll. As for other allowances in the CEA, the amount detailed for the transport allowance is the gross amount and the relevant tax treatment is applied.*

## RULE 905

All rail operations members are reminded of the importance of strictly adhering to track protection rule 905. There is no acceptable working situation (including on and off tracking) for infrastructure workers to be within the 500metre buffer zone. If you are moving into the buffer zone to remove the boards etc then additional protection (blocking or Track warrant) must be obtained and used.

Boards must be erected in locations where locomotive engineers etc will have clear and unobstructed view lines.



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

## UNIONS WANT ACTION TO HEAD OFF JOB LOSSES

Unions are developing proposals to head off job losses as the global financial crisis starts to impact seriously on the New Zealand economy. Workers did not create this crisis – but they are paying for it worldwide.

Helen Kelly, CTU President, says that the CTU has been discussing proposals with affiliate unions and in the last week met with Business NZ and also Mark Weldon to exchange possible proposals for the Jobs Summit.

The CTU published a set of proposals in October 2008 called Short Term Stimulus for Long Term Gain and it is now urgent to get some concrete action.

Helen Kelly said that the CTU is focusing on what can be done to stimulate the economy generally, what can be done to help employers hold on to workers and then how workers can be supported if they are laid off.

There are many suggestions such as investing in home insulation targeted at areas of greatest housing and employment need, major job creation programmes on environmental and social projects, a new skills fund so there is investment in people as well as physical infrastructure, expansion of productivity initiatives, new training subsidies so that workers could stay at work and do more training rather than be laid off, job search and retraining allowances, and changes to government procurement to ensure New Zealand firms benefit.

Helen Kelly said that "it is a very worrying time for workers and although it is understandable that economists will make predictions about how high unemployment might go, what we really need to do is focus on what can be done".

## GOODBYE HENRY

RMTU Organiser Henry Fagaiava has tendered his resignation to the Union for personal reasons. The resignation has been reluctantly accepted by the General Secretary. Wayne Butson said "the loss of

Henry to the RMTU is a body blow to us as we have invested heavily in Henry's development and are just beginning to see him grow into being a very effective advocate for the Union's members. We do however recognize that the decision must not have been easy for Henry as he has a strong passion for the RMTU, working class issues with a special focus on the work of Komiti Pasifika and Pacific island workers. I know that all of us within the RMTU family will wish Henry well for his future endeavours and ask that he stay in touch."

Henry's **Wellington based** Organiser position will be filled. We will be advertising soon with a general call for applications to fill the vacancy. Meanwhile any member or delegate who is interested in undertaking the role is asked to contact the General Secretary and make their interest known.

## A FREEZE ON THE MINIMUM WAGE IS THE LAST THING OUR ECONOMY NEEDS.

Calls by Business New Zealand for a nil minimum wage increase this year fly in the face of National's plans to pull our economy out of recession, Green Party Employment Spokesperson Sue Bradford says.

"The Department of Labour is reported to be recommending a 50c per hour increase.

"That's not a rise, it just compensates for inflation since last year.

"While this recommendation is abysmally low, it would be better than the nil increase Business New Zealand advocates, which would slash spending power for Kiwi families on low incomes.

"I understand Cabinet is due to consider this issue next Monday 2 February.

"The Green Party hopes that John Key and Bill English understand economics well enough to realise the last thing the Government should do in the current environment is push the value of workers' wages even lower.

"In a recession the most important thing is to maintain peoples' incomes so they can keep up even minimal buying power.



"Freezing the minimum wage is a recipe for further spending cuts by low paid workers, deeper poverty, more jobs being lost and an intensified recessionary spiral," Ms Bradford says.

"There is no evidence for the hoary old myth that raising the minimum wage causes unemployment.

"Nor is it just those who sit on the current minimum wage of \$12 an hour who will be impacted by a minimum wage freeze - there are also a huge number of workers earning between \$12 and \$15 an hour whose pay rates tend to be heavily influenced by the minimum wage benchmark.

The Green Party calls on the Government to take a fresh approach to the minimum wage when Cabinet meets next week, and make a decision based on social justice and sound economic principles, instead of making the mistakes of the 1990s all over again."

## DONATION

KiwiRail and the RMTU made a \$120 to the North Shore branch of the Downs Syndrome Association. During the negotiations for the Collective Employment Agreement it was decided that a fine would be imposed on anyone whose cellphone rang during the negotiations. The Downs Syndrome Association was nominated as the recipient charity, specifically the North Shore branch due to Craig Nelson's involvement with it. Another good thing out of last year's wageround.

## KIWI RAIL LONG DISTANCE TALKS

An output from the KiwiRail CA talks is the formation of a Working Party to develop and reach agreement for the criteria for competency advancement of Train Managers/Attendants to the new Level 1 position (new paycode 66400). The RMTU members of the working party are Duncan Browne, Alun McCarthy, Brian Armstrong and Todd Valster. The first meeting is scheduled for Thursday 11 December 2008.

## IMPORTANT RMTU DATES 2009

Workers Memorial Day	28 April 2009
Annual Delegates Conference	13 – 15 October 2009
NZCTU Biennial Conference	20 – 22 October 2009
RMTU Ports Forum	May 2009 <i>TBC</i>
Transport Worker Branch contributions deadlines for printing	Issue 1 – 9 February 2009 Issue 2 – 10 June 2009 Issue 3 – 10 August 2009 Issue 4 – 9 November 2009
Branch AGM's (Election Officers & Conf Dels)	To be held in the month of August 2009 as per rules & standing orders
National Management Committee Meetings	NMC 1 <sup>st</sup> ¼ Meeting 11 March 2009 NMC 2 <sup>nd</sup> ¼ Meeting 10 June 2009 NMC 3 <sup>rd</sup> ¼ Meeting 9 September 2009 NMC 4 <sup>th</sup> ¼ Meeting 9 – 10 December 2009
RMTU ELECTIONS	National President Call for Nominations 1 April Closing 29 April 2009 National Management Committee Call for Nominations 1 June closing 30 June 2009

## CALL FOR INFORMATION - PUBLIC HOLIDAY ROSTERING KR LE'S

The union office are receiving numerous complaints of alleged manipulation of shifts by KR on public holidays which results in LE's missing out on alternative (lieu) days and time and ½. We are keen to learn how wide spread this practice may be so we are calling for information on shifts changes by KR to avoid LE's working hours (or even minutes) on a Public Holiday. To clearly



identify the alleged manipulation we need – your mini and master rosters for the period and how you were notified – asked or told. This can be faxed or scanned and e-mailed to the RMTU Wellington office at 04 4710896 or tvalster@rmtunion.org.nz Please send the info through ASAP.

## GOVT REVIEW HOLIDAYS ACT

The CTU has met with the Labour Department to discuss the scope, admin arrangements and terms of reference for the review of the Holidays Act. National has two objectives from the Review which are recorded in their policy as:

- Trading the fourth weeks annual leave
- Appoint a working party to review the Holidays Act, especially the issue of 'relevant daily pay'

The scope and terms of reference are yet to be written. However the Review could include issues such as;

- Issues identified by a review of case law
- Calculation for holiday pay and Relevant Daily Pay
- Support and advice on the Act (is it sufficient etc)
- Mondayisation
- Transfer of statutory holiday days

The Minister is proposing an independent Chair and officials have the CTU that this work is on the Regulatory Reform Agenda (Rodney Hides Committee) and they will also see the Terms of Reference, report etc. The CTU has proposed that one of the terms of reference include that no worker have their entitlements reduced by any recommendations. It is expected the review group will start working around Easter time.

## ANNUAL CPI NOW AT 3.4%

Statistics NZ latest release on the Consumers Price Index (CPI) shows a decrease of 0.5 percent in the December 2008 quarter. The CPI increased 3.4

percent for the year to the December 2008 quarter. In the December quarter, petrol prices were down 22.4 percent. If petrol and diesel prices had remained unchanged from the September 2008 quarter, the CPI would have increased 0.9 percent. However, food prices for the quarter (up 1.5 percent) made a significant upward contribution to the CPI in the December 2008 quarter, driven by higher prices for meat, poultry and fish (up 6.3 percent) and grocery food (up 2.6 percent). The housing and household utilities (up 0.6 percent) and recreation and culture (up 1.5 percent) groups also made significant upward contributions, driven by overseas package holidays (up 7.5 percent) and electricity (up 2.0 percent). Prices for the purchase of new housing (down 0.2 percent) fell for the first time since the March 1999 quarter.

For the annual CPI increase, the food group (up 9.4 percent) accounted for half the annual increase, driven by grocery food prices (up 11.2 percent). The housing and household utilities group (up 4.3 percent), with higher prices for electricity (up 7.7 percent), also made a significant contribution. However, petrol prices fell 4.8 percent over the year.

The Food Price Index was also updated today. Monthly food prices fell by 0.2 percent in December 2008. The most significant contribution to the decrease came from the fruit and vegetables subgroup (down 3.9 percent), driven by lower prices for tomatoes (down 48.4 percent), broccoli (down 45.3 percent), and lettuce (down 17.7 percent). These decreases were partly offset by higher prices for apples (up 22.1 percent) and kiwifruit (up 27.8 percent).

The main upward contribution to the food price index came from higher prices for the grocery food subgroup (up 0.9 percent) in the December 2008 month. Within the subgroup, the main contributors were bread (up 3.7 percent), and cakes and biscuits (up 2.2 percent). For the year to December 2008, food prices rose by 9.1 percent.



## CTU H&S REP TRAINING

The NZCTU has been a national leader in provision of health and safety training for workplace representatives. In partnership with ACC, they have provided training for over 22,000 health and safety reps in the last five years.

As unionists we are very concerned at the high costs, both financial and social, of workplace injuries. In the 12 months up to 30 June 2007, ACC received claims for 225,898 work related injuries, equating to roughly one in ten people being injured at work. Increased awareness and training around issues of workplace health and safety can reduce the number and severity of such claims.

Delivery of such training courses by the union movement is part our commitment to the welfare and wellbeing of New Zealand workers, and moreover provides exposure to trade unions in workplaces which may not otherwise be engaged.

As part of the CTU's new contract with ACC they need to maintain and increase their presence and training programs, and the ACC directed strategy is to focus on seven industry groups which would greatly benefit from increased awareness and training on health and safety issues.

They are;

- Agriculture
- Construction
- Meat Processing
- Forestry
- Public Health
- Metal Manufacturing
- Road Transport

The CTU would be grateful if you could provide them with industry and employer contacts so that they can approach them re health and safety rep training. The CTU contact is Monica O'Connell - Health & Safety Team Manager NZ Council of Trade Unions Phone: 04 385 1334 Ext 825 - Fax: 04 385 6051 www.union.org.nz

www.worksafereps.org.nz. All delegates are asked to contact Monica and provide the info requested.

## NEW LOCO'S FOR QR

TandLNews - National transport and logistics company Queensland Rail has signed an order for 12 new locomotives for its fleet from United Group Ltd for more than AUD\$70 million. The acquisition by QR's intermodal (containerised) business comes only weeks after it announced a \$45 million, five-year leasing deal with Downer EDI for nine new locomotives. QR said the first of the C44 Aci locomotives was expected to be delivered in July, with final delivery planned for all 12 by December. The locomotives will weigh in at 134 tonnes and have a state-of-the-art AC traction system, 3,250 kilowatts (kW) available for traction, an ECP braking system which improved safety and reduced stopping distances by up to 30-40% compared with the current fleet.

## KIC LOCO REPS GO TO CHINA

Wally Wallbutton, Bernie Snook and Murray Dunlop are part of a KiwiRail delegation going to China to look at Chinese built locomotives departing NZ on Sunday 1 February 2009. They were meant to go late last year but the trip was put on hold for logistical reasons and plant access.

The RMTU understands that the KiwiRail Board has approved the purchase of up to 20 locomotives. Money has also been set aside for the conducting of a study for locomotives to be built here in NZ. The China visit is part of a fact finding process to identify the options for the KiwiRail Board to consider. The RMTU

has received information that advises the China loco's can be purchased for \$4m a piece whilst a NZ built version will cost \$4.75m. We have been unable to obtain any real detail on the costings but believe that the NZ price seems on the high side. We all see what the workshops do with the rebuilds here and as a Dxb costs about \$1.7m were



wonder where the other \$3m of cost comes from.

The RMTU strongly supports as much work as possible being done within NZ by our Railway Workshops. Rail tradespersons have clearly demonstrated their expertise with locomotive upgrades and the S series passenger car refurbishments to date. The work quality is very high whilst reports on the internet (the Malaysian loco's especially) indicate that the quality of the China loco's is questionable.

We all will await with interest the study tour groups report.

## NEW TRUCK LAWS FOR OZ

TandLNews - The Australian Government will hold a series of meetings with the trucking industry in January and February about its plan for national trucking laws. Meetings will be held in Brisbane, Sydney, Townsville, Darwin, Adelaide, Perth, Melbourne, Launceston, Albury-Wodonga and Canberra. The government is also seeking information from operators who can provide examples of the cost and difficulty of coping with Australia's eight different sets of heavy vehicle laws and nine different registration systems.

The government's statement sets out some of the many inconsistencies in the existing state laws. It points to examples where:

- an operator moving heavy equipment under permit between three states had to fit an extra axle in the second state and then had to remove it when the truck entered the third state to comply with its permit conditions; and
- transport inspectors in one state refused to accept that a vehicle was roadworthy, even though it had been inspected and approved in another state under the same roadworthiness guidelines.

The statement considers four options for delivering a single national regulatory system and comes down in favour of the position taken by the ATA: it recommends

there should be uniform laws administered by a single, national statutory regulator.

The statement confirms, however, that any national laws would include provisions for variations to recognise that different parts of Australia have different local operating conditions. There would be a single national registration system for trucks, although the registration paperwork would continue to be handled by the state and territory motor registries.

The government also aims to develop a consistent national approach to truck driver competency and testing standards, with national recognition for truck driver training schools and a single national heavy vehicle driver license.

If Australia's transport ministers agree to go ahead with the option recommended in the consultation statement, the first stage of the new laws will come into effect at the end of 2010. The National Heavy Vehicle Regulator would be fully operational by the end of 2011.

The government's consultation regulatory impact statement can be downloaded from [http://www.infrastructure.gov.au/roads/vehicle\\_regulation/ris/hvreform\\_ris.aspx](http://www.infrastructure.gov.au/roads/vehicle_regulation/ris/hvreform_ris.aspx).



## CONTAINER SHIPPING TO SINK TO NEW LOWS, MAERSK WARNS

TandLNews - AP Moller-Maersk chief executive Nils Andersen has warned that container shipping volumes - and freight rates - are facing a significant decline in 2009, while Drewry Shipping Consultants predicts container shipping is facing its worst year ever, with even the biggest lines not safe from the risk of collapse. While Mr Andersen would not say how much global container volumes would contract in 2009, he made it clear that the industry was in for a rough ride, which was likely to last well into 2010, Lloyds List reports.

"It's fair to say 2009 will be very tough, and probably 2010 will be very tough as well. If the improvement comes before the end of 2010 we will be positively surprised," he said.

"I think the freight rates now are really very low, so that means there is a bottom to how far they can fall, but you also have to be a little bit careful and not expect a big swing back in rates," he said.

"The present rates will not allow lines to sustain operations on a long-term basis", but he refused to comment on whether the tough conditions would result in some lines going under."

Weakening global demand has prompted Maersk to lay up eight containerships but the shipping line is not planning a large-scale withdrawal of tonnage.

At the same time, Drewry Shipping Consultants is warning that further casualties "are a real possibility", after four small carriers have already failed.

The most vulnerable are probably smaller regional Asian players, but the experience of motor manufacturers has shown that even industry giants can be brought down by this recession, Drewry's said.

The forecaster estimates that global container traffic totalled 153m TEU last year, up 7.2% from 2007. This year, growth is expected to slow to just 2.8%, with a few isolated trades such as the Asia-Middle East and Asia-Africa corridors likely to post some positive figures.

But the big east-west routes are in terrible shape, with Drewry forecasting that the Asia-Europe trade will shrink by 4.1% in 2009, following growth of just 1.9% in 2008.

### **BITS & BOBS**

- KiwiRail Group have agreed to convene a joint working party (RMTU, KiwiRail and Ontrack) to look at options for enhancing the application and operation of Rule 905 and to conduct a review of the rule itself. KiwiRail will be represented by Craig Nelson and Greg Hight. Ontrack will be represented by Brent Lancaster and Ian Cotton. RMTU will be represented by Scott Wilson, Todd Valster, Kevin Gubb, Bernie Snook, Wally Wallbutton, Geoff Young and Jerry Hohepa. It is hoped that they will meet within the next 2 weeks.

**Let's Be Safe Out There & Remember.....**

**"WE'RE STRONGER TOGETHER"!**

