MARCH 2012

THE Transport Worker

The journal of the RMTU
NZ's largest specialist transport union

A flamin' good job

Rail and Maritime Transport Union
Stronger Together

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COVER PHOTO

Southland track gang welding joints at the 555 Km mark on the M S L (???) at Brydon in Southland. Clockwise from left, Tim Proffit, Given Mabunda, Mike McMurdo, John Renata.

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EDITORIAL

Wayne Butson
General secretary
RMTU

A hearty kia ora and best wishes to all RMTU branch officers and members as we head into what is going to be a very testing, stimulating and full-on year for us all.

Already, 2012 is throwing the challenges of maintaining job security, terms and conditions of employment and maintaining the real value of our wages against ever-increasing living costs. We are seeing burgeoning aggression from employers as they relapse into the tried and failed policies of the past of building company profits on the backs of their workers under a National-led government. I cannot recall as many lockouts by employers as they endeavour to starve out workers and inflict pain upon their families to force wage cuts – nor the increasing casualisation and the contracting out of jobs. Unionised workers are fighting back as they are the ones with the good wages and terms and conditions of employment.

Open season on workers

In the last 10 years unions have become ‘clubs of privilege’ as the gap between the rates of pay and terms and conditions of employment of unionised workers and non-union has blown out. Employers have decided, in my view, that with the re-election of a National-led government, coupled with the record high non-vote, means open season on workers in New Zealand.

Contracting out, or outsourcing, is the flavour of the month together with offering workers the sack or have them voluntarily accept a pay and condition cut.

There are two approaches a union can take to contracting out or outsourcing. The first is to prepare workers’ terms and conditions for contracting out so as to maintain them in the transfer and to maintain unionisation and density levels. The second is to stand and fight. The first has proven to work. It was what we used in 2002 with TranzRail and we came through the process with our feathers ruffled and fewer members – but with our terms and conditions intact. We will never know what the outcome would have been if we had decided to stand and fight because the circumstances really precluded this option. The circumstances were such that TranzRail were a heartbeat away from bankruptcy and if things didn’t change all of our rail members would have lost their job and it was highly unlikely that the then National government would have stepped in and nationalised the railway company.

So as you can see the motivation of the company at the time was survival and, in my view, the best interests of the industry and its workers as the process provided a much needed cash injection at the time. The fact that the model was unsustainable was irrelevant at the time but came to the fore in later years.

Contrast this to the situation at the Ports of Auckland where the intent of the company, with its contracting out, is the destruction of the Maritime Union of New Zealand local branch. The union has no choice but to fight the contracting out proposal. As a result, we seem to have been locked into constant legal wranglings since the afternoon of Friday 2 March.

As you can all appreciate none of this is coming cheaply. As I write this we have now been injuncted three times. The first was Port of Tauranga, the second C3 and the third Centreport – and we are due in the Christchurch Employment Court at 1630hrs today 7 March.

The cost of injunctions

Each injunction involves legal costs for us in defending plus exposure to claims for the employers legal costs, damages for loss of business, direct commercial costs and loss of reputation etc.

That said, fighting as a bona fide trade union is unavoidable. There is no question that the Union must use every means at its disposal to protect workers' rights to not cross a union picket line. We would not want anyone crossing our's should we erect one in order to maximize pressure on an employer and so to develop respect we must walk the talk.

The despicable aspect of this whole situation we find ourselves in is that workers are not permitted to stand united against an employer's attack on a union brother or sister but the port employers are able to act in unison. There is no doubt in my mind that exporting the Auckland dispute to other ports in New Zealand is a deliberate ploy designed to undermine the bargaining pressure of MUNZ Auckland.

Forget the rumours - read the facts

I have heard many versions of rumours as to what happened in Tauranga following the issuing of the injunction. The facts are that following the issuing of the Tauranga Injunctions our members were subjected to verbal abuse and told they were members of a 'scab union' when they attempted to comply with the injunction and return to work at 2130hrs (3hrs 20 mins after the injunction was issued) by going through the MUNZ picket line. The altercation at the picket should not have occurred and was a surprise to us all. Nobody was physically touched in any way. The RMTU has been in similar picket line situations before and our solidarity actions have always been acknowledged – like the situation at Port Napier in 2008 where our members were clapped past the picket line by MUNZ after an injunction was issued ordering them back to work after three days of action. In Tauranga 2012 the RMTU and its members had done yet again all that could reasonably be expected. To not comply with the court order would expose the Union to sequestration of assets, huge fines to union officers and individual members and possible incarceration for contempt of court.

We will be following this up with MUNZ and the NZCTU at a later time BUT, the primary focus right now must be to do all we can to protect the unionised good jobs of MUNZ members in Ports of Auckland.

United we stand – divided we beg.

Grateful thanks

Tena koutou,
Firstly, I like to thank all delegates for the advice and support over the years, starting from the Transfield days, through to Ontrack and Kiwirail. Secondly, I like to say thanks to Todd for all the support he has provided and being the voice and muscle for me in order to keep me in the job that I was so dedicated to. This has been a real tough and testing time for my family and myself, having to sit out for the last four months. Now as my case has come to an end, we can (as a Union) sit down, reflect and think of ways how we can improve employer/employee relationships, especially with members having similar cases to mine.

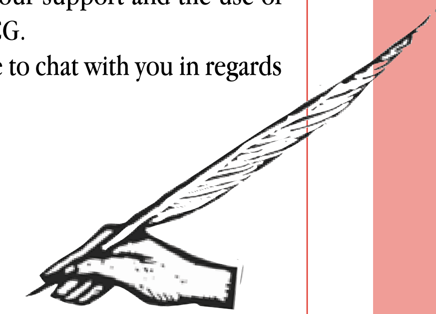
I am very grateful for being a member of a very strong, family-orientated Union and I will always pledge my loyalty and support to the RMTU in any way I can.

Phil & Aubrey; thank you brothers for your support and the use of the facilities when I work with the RM80 BCG.

Wayne; thank you. It has been a pleasure to chat with you in regards with the new ballast cleaner, RM80.

Please except my resignation.

Nku i runga i aku mihi ki a koe,
Willy Teppett
900152



Dear Editor,
I would like to express my thanks to the RMTU for the help and support over the last two years.

Your outstanding services and time spent with my family and I during the difficult times of my surgery and a restructure was most appreciated.

The support and home visits you gave were most welcomed and appreciated.

I would encourage all employees to be members of a support organisation such as the RMTU as this proved in to be invaluable.

Again, thank you so much for your help. I greatly appreciated the assistance the RMTU provided.
Best regards
Andrew Saxby

One of best RMTU notice boards in the South Island. Every site should have a board like this – tidy, uncluttered, up to date and regularly maintained. Well done Hillside Branch.

New Chinese wagons rolling in with major problems

WITH 500 new Chinese CNR IAB and 35 Hillside-built IAC wagons on our rails how do you think they compare? Not very well, according to shunters and yard workers around the country. They report that all the Hillside wagons are just fine but at least 44 of the Chinese variety are laid up around New Zealand with problems ranging from shoddy welding and wheel flats to bungled bogies and duff brakes.

And the problems don't end there.

Rail workers were promised that the new Chinese-built wagons with their alliance (bull hook) connectors would only be run in fixed consists. Yeah right!

They are now so mixed up with the old wagons that dozens of bull hook connectors are required to get trains on the move. Weighing in at between 25 and 30 kgs these lumps of steel can only be safely maneuvered around the yards with some sort of vehicle. Rail workers are finding this process extraordinarily tedious and time consuming – with most of that time being taken in finding a free vehicle to do the moving.

Introducing more hazards

"You are also seeing a hazard introduced with workers who have had no formal training to undertake heavy lifting now charging out and fitting up to 40 bull hooks a shift," said RMTU general secretary Wayne Butson. "This has introduced a significant heavy lifting hazard into the shunting environment that has not been properly risk assessed."

Kiwirail, under extreme pressure from our national-led government, opted for the cheaper Chinese build whilst making valuable New Zealand staff at Hillside and Hutt redundant and slating the capabilities of those workshops.

Nine bids were considered by Kiwirail to build the wagons, including one from Hillside Workshops. Kiwirail chief executive Jim Quinn said: "The bids were evaluated on a range of financial and non-financial considerations. Hillside emerged as the third best bid but unfortunately not close enough to the CNR bid to justify a local build."

Chinese built wagons lined up at Addington – all of them out of commission and awaiting repair!

He said Hillside's bid was approximately 25 percent more expensive than the CNR tender. Papers recently released to Radio New Zealand under the Official Information Act now shows that Kiwrail's board were told by Kiwirail management that the margin could be as high as 50%.

If this was true then why wasn't this figure used in the public debate about the wagons at the time, asks Butson.

"The decision reflects our need to get the best possible value for the limited money we have to rebuild our business and to apply that money to the projects that will improve our relevance to our customers," said Quinn.

"Buy quality and it will last, was a catch cry of my parents," said Butson. "Buy crap and you buy a train load of trouble. If only our government and business leaders were

Quinn's response

Kiwirail CEO Jim Quinn says in the company's newsletter *The Express* (23/2/12)

"There has been comment in the media about the performance of the wagons from China. There are today 46 wagons out for repair in some way. The largest group of those is from a wheel skid issue. As with all things in this business there is never one single answer. What we do know is that:

- Some are only skidding on the bogie with the handbrake. This will be caused by the handbrake being left on.
- We have found two locos that we set up incorrectly and that was causing some skidding.
- We adjusted the modern brakes on these wagons to make them behave like the older brakes when in mixed consists.
- There is some damage to some caused by the way the loads have been handled. Other than the modernisation of the brakes, these issues affect all wagons. Very few of the issues are warranty issues and the manufacturer is standing behind their product and supporting us well."

as sensible. Now, all we can do is watch as more and more Chinese-built wagons stumble to halt as our New Zealand-made Hillside-built counterparts just keep on rolling by."

Forty-four of the new wagons are currently laid up in Christchurch with unconfirmed reports of more around the country. The majority have faulty welds that need remedial work or have flats on the wheels. Eighteen have ground to halt due to wheel flat issues while the remaining 26 are bogged down for various other remedial works.

Also, because of a 'hump' in the deck, securing containers is proving nigh impossible – especially those which are empty. The forklifts – note the word 'lift' – have to push the whole container down on to the wagon with their forks on top of the container. This is to enable the twist locks to be secured. When it comes to removing a container and no forklift is available to apply downward pressure, pin men are using heavy hammers to unlock the twist locks. This has led to numerous broken lock handles with

Alan Rolton, Middleton yard, with a 25 kg bull-hook. This doesn't show the problem of picking these up with remote packs. Alan's big and strong but some our more slightly built brethren struggle with these things.

many wagons now running around with 'stubs' instead of handles. No doubt they will join the lines requiring remedial work very soon.

Shunters also loath these new wagons. They now have to get on their knees to release the hand-brake which is only on one side of the wagon. Frequently they have to clamber over buffers or wagon decks to reach them. A potential health and safety issue.

"The RMTU is seriously concerned with the state of these wagons and is keeping a file and a close eye on the problems being reported," said Butson.

In a press statement at the time of ordering the new wagons Quinn said: "The new wagons will enable us to respond to the market growth we are experiencing and retire those that are most prone to mechanical problems."

"I wonder how many of those will be the new Chinese wagons?" asks Butson.

Aussie research show positive union response

A clear majority of Australians (67%, up 5% since November 1974) say that trade unions have been a good thing for Australia compared to only 18% (down 10%) that say 'they have been not good' and 15% (up 5%) can't say according to research conducted by Roy Morgan Research on February 24 this year.

However 87% (up 9% since May 1977) of Australians believe membership of trade unions should be voluntary compared to only 9% (down 9%) that say compulsory and 4% (unchanged) who can't say. A majority of Australians (57%), up a huge 49% since November 1974, believe there is 'about the right number' of strikes, while 32% (down 59%) say they 'occur too often' and 11% (up 10%) believe strikes should 'occur more often'. Significantly, 45% of Liberal-National Party supporters believe strikes 'occur too often' compared to only 22% of Australian Labour Party supporters.

When asked whether workers in different types of jobs should be allowed to strike, Australians clearly supported the 'right to strike' across all three categories:

- Private Industry: Legal to strike 83% (up 25% since Nov. 1974) cf. Not legal to strike 12% (down 18%);
- Public Utilities - Buses, electricity, Post Office: Legal to strike 76% (up 28%) cf. Not legal to strike 21% (down 21%);
- Government Workers: Legal to strike 77% (up 29%) cf. Not legal to strike 21% (down 20%).

http://bit.ly/zyq2qL

On why even financial analysts are jumping ship on the asset sales plan

By Gordon Campbell

First published November 24, 2011

AT the last election, John Key got the green light to sell off a 49 per cent stake in several of our most valuable state assets. Yet before and since, the issue has come down to a fairly simple question – would we lose money or save money by keeping the assets and borrowing the money instead? Late last year in the NZ Herald, Auckland financial analyst Brent Sheather laid out some compelling evidence to back up the conclusion he repeated to me at the time: "They should borrow, rather than sell the assets."

But… in this uncertain global climate, isn't borrowing a risky and counter-intuitive road to take? On the campaign trail, Key had certainly been sounding the alarm about the crisis in Greece, and the spectre of getting in hock to the Chinese. Sheather didn't even blink. It all came down to our ability to service the debt, he said. And in his view, we're about to dig ourselves an even bigger debt hole in the national ledger, because the government seems intent on selling assets that are generating a higher income than the cost of the borrowing. "If you look at it from the point of view of a business, our interest cover – i.e our ability to service the rest of the debt – is going to be worse after the sale, than it would be before the sale."

Other commentators have done the maths and reached much the same conclusion. Just before the election, NZ Herald business columnist Brian Fallow also found the asset sales plan wanting, even after doing the sums in a way that bent over backwards to be fair to the government. For much of the past 12 months, Treasury has estimated that \$5–7 billion can be earned from selling 49% of the government's stake in the assets in question. Far more recently, it has picked the middle of the range – and cited \$6 billion as the likely return from the sales process, though Finance Minister Bilkl English has candidly described that figure as being merely " a guess." Still, it's the best guesstimate that we have from government, at this point.

Rather than look at the current and projected yield from government bonds, Fallow used a figure of 5% for the cost of borrowing, based on that being the average cost of government borrowing over the past five years. So 5% on that \$6 billion would be \$300 million. That's one side of the ledger: the cost of borrowing.

Now for the other side – the dividends we forego by selling. Treasury forecasts of the dividends expected from the four SOE energy companies up for sale. Fallow says, average out at \$449 million a year over the next five years. The 49% share we intend to sell would therefore come to \$220 million. Throw in \$20 million for selling 23% of Air New Zealand and the dividends foregone would average \$240 million a year – or 4% of the \$6 billion sale price.

That means we barely come out ahead. Assuming absolutely everything goes right, we would be \$60 million in the black. "So we are talking about a difference of one percentage point between dividend yields and bond yields," Fallow said. Margin of error stuff, in his opinion. And that's after looking at the deals in the most generous of lights.

Why do I say generous? Well, for one thing, in the sums above we haven't taken into account any of the likely cost of setting up and managing the asset sale process. Some estimates put that cost as being anything up to \$350 million, but again, let's be generous to the government. Let's assume

the sales process will include the usual 1% charge exacted by sharebrokers for handling stock market launches. This, along with other related costs are likely to push the cost of the sales process up to around 3% at the very least, Sheather estimated.

On a $6 billion sales process, that comes out at $180 million, which in the first year at least, would wipe out the small advantage that Fallow discovered, three times over. Included in this bill will be the payment to the "advisers" to the Key government, such as the Australian investment bank Lazard, which is reportedly being paid $100 million to assist in the sales process.

There's more. "The other cost," Sheather says. "is that the management of the companies will expect options in the companies, which will massively reward them, just like the management of other companies get rewarded. That's something that wouldn't be happening if they remained state owned enterprises." Management costs will rise in perpetuity.

Sheather's analysis, round two

When Sheather estimated the cost of borrowing last year in the Herald, he used the yield on government bonds as his yardstick. Looking ahead, he said then, the secondary market in 10-year government bonds were pricing them to yield 4.4%. The yield on five-year government bonds was 4%. The interest on $6 billion at 4% is $240 million, and that's the cost of borrowing – or about $60 million less than what Fallow had calculated.

Subsequently, Sheather said, the rate had gone considerably lower – and was then close to 3% for five years, and just below 4% for ten years. What does that signify? Well, one thing it suggests is that rather than seeing New Zealand as being a similar risk to Greece and the rest of Europe, many foreign investors are treating us as something of a safe haven and reducing the interest charge involved, thus making the option of borrowing the money – rather than selling the assets – an even more attractive option.

On the dividends side of the ledger, other observers besides Sheather have noted that the four energy companies have been performing extremely well. Those good times are about to get even better. Too bad the taxpayer will now be losing out once those assets are sold down, because they've just paid for the capital investment that will be driving those even higher returns – and which the private investors will begin to reap.

The evidence is clear on this point. The $1.7 billion return over the last three years from the four energy companies would have been even higher, as Greens co-leader Russel Norman pointed out, if the SOEs in question hadn't chosen to double their investment in new plant and machinery, in order to deliver even higher returns in future. As Norman added, now that the earning potential of our SOEs has been enhanced through this capital investment, the Crown can expect to see considerable growth in dividend streams from this point onwards. Treasury made this point explicit in their last 2010 Annual Portfolio Report. They said the Crown should now expect to receive higher returns.

We have seen this pattern in asset sales before. Like our energy SOEs, Telecom had invested significant amounts of capital in building a modern telecommunications network in the years immediately before privatisation. In the years following Telecom's privatisation, dividend streams for its new private owners doubled, then tripled within six years. History now seems to be repeating itself with our energy SOEs. National has allowed the taxpayer to build up the asset, only to then on-sell it to the benefit of others.

More than anything, those current 17.5% returns on average over the past five years are an astonishing testament to the efficiency of the SOEs. Despite the election campaign propaganda that asset sales will bring private sector disciplines to bear on the SOEs, the reality is the exact opposite. The SOEs are at serious risk of being reduced to the same general levels of incompetence as the private sector.

"Those returns suggest the SOEs are managed as well or better than stock exchange companies," Sheather said to me, "because stock exchange companies haven't returned anything like that rate of return. On average in the last five years ended in October 2011, the New Zealand stock market has returned minus 2% per annum." They've lost money? "Yes, they've lost money. The world stock market in the same period is down minus 4.3% . So 17.5 % is pretty good work."

In all probability, that stellar SOE energy company performance also reflects the pretty harsh prices for electricity that New Zealand consumers have been paying in recent years. Which raises a rather alarming concern about the situation once our energy assets are sold down – because if electricity prices are already sky high, how are the profit expectations of the new private sector investors going to be met? Not by racking up prices, Sheather agreed. "What they can do is use the famous venture capital saying – that there's lazy capital there, the balance sheet isn't being optimised. What we've got to do is pay out a special dividend to shareholders and take on more debt…"

Whaaat? So, rather than run the alleged risk of the government taking on more debt up front, we're going to sell these things – only then to turn around and satisfy the new private investors' thirst for dividends by taking on more debt, half of which will then be owned by every taxpayer in New Zealand? "I would say that is inevitable," Sheather replied." The share market, he adds, usually responds to such special dividends by ramping up the share price even further. Managers then get rewarded and the taxpayer is left to pay for the bailout if and when the bubble finally bursts.

Sheather's own argument for why selling the assets makes no sense is based on the simple mechanics of the deal. The average yield on the NZ stockmarket has been about 6%, so Sheather said he would expect the assets to be sold around that yield. Then, growth is averaged at inflation plus one [over the four companies] which gets you to 10%. That means, he said, a lot more will be being given away by selling the assets, than the circa 4% cost of borrowing. As he explained in the NZ Herald.:

To get these asset sales, the Government will need to price the companies at price-earnings multiples of somewhere around 14 to 16 times, which implies after-tax earnings yields of 6 to 7%.

"The 7% is the profits of the company after tax," Sheather further explained to me. "So the company could pay out 4% as tax free profit, and re-invest the other 3% for more growth. Either way, that's going to be nearly twice the 4% cost [of the borrowing option.]" Again, these sums indicate that ordinary New Zealanders stand to lose by selling down the assets. To be perfectly clear on that point: in Sheather's view, would the annual cost of servicing the extra debt needed to retain these assets exceed the annual dividends derived from keeping full ownership of them?

"No, I don't think they would. Because if they swell them at an earnings yield of 7%, they can pay out 4% of that to the government to service the debt and retain the residual 2-3% in the company for extra capital for growth plus they've got depreciation as well. You could probably argue that those companies could fund their growth from the depreciation charge, anyway."

There will be a lucky (and relatively few) private investors who will stand to make a killing, given the fairly dismal investment options that are available elsewhere. "They'll underprice it, so the buyers feel good. They're going to get a tax free dividend which is 4% – which is tax free, which grosses up to six plus they'll get growth, which is another four. Look at it – if I can get 6% return from Mighty River plus growth, versus 4% in the bank, then the price is going to be right. And if the price is right for the buyer, it is going to be wrong for the seller." Who happens to be the New Zealand public.

There are other reasons why the sellers are likely to get short changed. Elsewhere, Scoop has explained why the need to diversify their portfolios will mean that few local investors – and even fewer foreign investors – are likely to want to invest in four energy companies one after the other, especially since there are already other energy related stocks (Vector, Trustpower, Contact Energy) crowded into the New Zealand share market.

Meridian will be the big prize for local investors, and Solid Energy's coal deposits and related technologies will make it the only one that foreign investors will be rushing in to buy. For political reasons, the Key government will therefore be selling Solid Energy last, in order to minimise the furore over selling our precious natural assets into foreign hands.

Finally… it is quite hard not to be depressed then by this asset sales process, isn't it? "It is," Sheather said. "I'm assuming Mr Key is a rational person." The public don't want the sales, he says, and the financial sector can't see the logic behind them. What Sheather would like to see is a last minute offer of a referendum on the subject, as a sign that Key has listened to the public's concerns, and has responded in kind.

"If he does that, all will be good. If he doesn't, he needs his head read."

Footnote:

As indicated, the original story was published on November 24, 2011. In mid February Finance Minister Bill English confirmed that the asset sales process will result in a loss by 2016. As the *New Zealand Herald* reported on February 16:

However, it would also result in a "small" reduction in the government's operating balance.

"Profits attributable to minority shareholders (foregone profits) will reduce the surplus - which is partly offset by a reduction in finance costs on the reduced debt…"Mr English said. "However those savings are less than the total forecast foregone profits of the SOEs - which include both dividends and retained earnings."

http://bit.ly/zoj1y1

More candidly, the *Herald* editorial on February 19 reported that the media's focus on English's confession that Treasury's estimates were all just guesswork had missed a far more important point:

What he hoped would be drowned out by the laughter was the Government's admission - made this week for the first time - that selling the assets will cost $100 million more over four years in foregone dividends than it will make by reducing overall debt.

http://bit.ly/xoaPOk

Where the %##*# are you?

Did you get that important notice from the Union last month? Last year? Any time? If you haven't had any mail from RMTU head office then you had better tell us where you've moved to. Check your address by:

- talking to your branch chair who has a list of local members and their details;
- going to the Union website and updating your details – http://bit.ly/exmEyL
- phoning 04-499-2066;
- faxing 04-471-0896 ;
- giving us your e-mail to save on postage.

Government-sponsored union-bashing

SURPRISE surprise – a Government-selected 'independent' commission has determined that ports and airports should be privately owned and operated – and unions cleared from their sites.

The CTU says that the Productivity Commission's International Freight Transport Draft Report is seriously flawed as well as obviously biased.

Peter Conway, CTU secretary, says "we had hoped that the Productivity Commission would not go down the same track as the 2025 Task Force but it looks like that was a forlorn hope" adding that "while we welcome analysis showing New Zealand ports are, in general, up to international standards of productivity, we are concerned that the Commission fails to grapple with problems caused by dominant international shipping companies and deregulated coastal shipping."

CTU Economist Bill Rosenberg agrees and adds that the Commission failed to address some significant and important issues including the high prices charged by shipping lines and that it "declined to carry out its statutory purpose to consider the 'over-all wellbeing of New Zealanders'".

"The report's narrow aims for ports fail to grapple with regional and national wellbeing. It treats employees primarily as costs, failing to see them as sources of skills and experience essential for growing productivity, and as people with their own family needs and aspirations.

"This is a critical mistake at a time when tensions over port management are so high. It results from thinking which has not sufficiently moved on from the 1980s and in doing so serves the interests of the international shipping companies rather than New Zealand. It misses the opportunity to address shipping company dominance and provide constructive advice to port management and staff on further increases in productivity."

A 2010 Shippers Council study showed New Zealand port charges for ships were less than half those in Australia and about two-thirds those in South East Asia.

"Yet," says Rosenberg, "the total price of freight is between seven percent and an astonishing 87% higher compared to Sydney. Why? Because actual sea freight charges from shipping companies are between 43% and a gobsmacking 500% higher. It's not about distances: sea freight between Long Beach, California and Auckland is 25 to 63% more expensive than to Sydney, despite being closer."

www.nicholsoncartoons.com.au

The report does not investigate these charges though it does recommend that shipping pricing cartels, like shipping conferences, be subject to normal competition rules.

"This is welcome but largely immaterial if, as the Commission says, such arrangements are little used now. Shipping companies will still be free to keep other cooperation agreements that could limit capacity on routes or help coordinate bargaining against ports," says Rosenberg

Curiously, the Commission finds no lack of competition among international shipping lines. Its only recommendation is to make shipping conferences subject to notification (and justification) to the Commerce Commission. It therefore drops the ball on the big issue of national coordination of ports and ensuring they provide the necessary facilities while resisting being played off by shipping companies and over investing in underused facilities, said Conway.

This means that the Commission has focused on "governance" and employment relations.

"The obvious bias is shown by a series of criticisms about working practices at ports with no effort to seek an alternative view except for one meeting with the CTU. Many employers have been consulted and quoted widely but to our knowledge none of the unions were included," says Conway. "The flaw in the analysis is that while the Commission says that effective employer-employee relationships are key to good productivity results, they then opt for systemic institutional change to legislation on the registration of unions, union collective bargaining, the role of the Employment Court, and also clearly support casualisation of the workforce and at least partial privatisation of ports."

While some employers claimed they had experienced problems in their dealings with unions, other employers reported very effective and productive relationships with the same unions. "This shows it is not a systemic problem," said Conway.

The Commission has also challenged the government on its spending on rail.

Conway said that the report is very disappointing. "None of the recommendations are for positive changes to management of ports in a cooperative relationship with their workers and unions. And the Commission clearly has not considered the principles of high performance work – rather it has focused on the same old deregulation and privatisation agenda."

Conway hopes the Government approach to competitiveness does not amount to attacks on decent jobs.

Staunch support for bullied meat workers

THE RMTU were notable in their support of Marton meat workers late last year by committing to weekly donations to support individual families.

Under the title 'Union families' and co-ordinated by the CTU and the NZ Meat Workers Union (NZMWU), this novel and new initiative was extremely successful, with unionists throughout the country showing their support for the families of unfairly treated fellow workers.

Forty-four of the 86 workers and their families were supported in this manner, said CTU programme organiser Eileen Brown with nine of them supported by RMTU members alone.

The dispute began in April 2011 when the NZMWU and the company (ANZCO, Canterbury Meat Packers [CMP], Rangitikei) with negotiations for a collective agreement. ANZCO, owned by two Japanese companies; Itoham Foods and Nippon Suisan Kaisha Ltd, has an annual turnover exceeding $1.3 billion.

The company's aim was to reduce costs by 15 per cent from the time a lamb entered the plant to it leaving, said Eileen. To do this they sought significant cuts in pay (more than 20 per cent) and conditions from their workers by reducing hourly rates and allowances.

The RMTU support locked out meat workers with personal donations. Here, the Hutt branch secretary hands over a cheque to Matthew on behalf of the branc and (inset) Todd Valster hands over a donation to Jason on behalf of the Wellington Port branch..

The NZMWU rejected the offer and the company locked out its workers on October 3 stating they could only return to work if they accepted the company's offer.

In the week prior to the lockout all workers were given a week's annual leave during which the company contacted all workers individually endeavouring to sign them up to individual contracts. More than 120 signed without union advice. Many were migrants and all were told they must resign from the NZMWU to receive their new contract.

With nearly half its workforce the company was able to continue production leaving 111 workers locked out.

The average annual income for these workers before the proposed cuts was between $43,000 and $46,000 with the lowest earning around $23,000 and the highest $53,800.

The workers offered to take a 10% income drop but the company rejected the offer.

Unionist throughout NZ were asked to support their Marton colleagues through donations, collections, attending pickets and more. One especially successful means of support was asking groups of unionists to support individually – and named – families. RMTU branches stood out proudly said RMTU general secretary Wayne Butson, supporting nine families.

"The way our Union members stood up and selflessly put their hands in their pockets in support of these brutally bullied workers makes me very proud," said Wayne. "We are a small union but we punch well above our weight."

Unionists individually committed a weekly sum with each branch (or group) aiming to raise sufficient funds to support their chosen worker and her or his family per week. The sum was then transferred directly to the locked-out worker's bank account.

"It's a story of remarkable generosity," said Eileen Brown. "It wasn't an exact science but giving according to need was a key

Lyttelton Port branch members with their donations boxes for the meat workers.

New staff at RMTU HQ

Karen Fletcher

THE RMTU's new National Health and Safety organiser, Karen Fletcher, comes to the job with a solid CV in union organising and a wealth of experience in dealing with health and safety issues.

While studying industrial relations and commercial law at university in Wellington she was encouraged to help staff the law desk at the Workers Rights Office and thus gained her first insight to the work of unions and an interest in workers' rights.

Her first job was as an organiser with the National Union of Workers in Australia dealing with collective agreements. After three years the call of home drew her back to Wellington and a short contract with the NZEI and a longer stint at the Ministry of Education before being head-hunted by Ross Wilson, then head of the CTU, to the post of H&S and ACC co-ordinator.

"He wanted a union organiser first and foremost," she said, "saying that I could learn the rest."

Eight years on and she was approached by Wayne Butson to work at the head office in Wellington.

"The post offers me new challenges and opportunities," she said, "and the chance to get back to working with members at the workplace."

The last H&S national organiser, Kirsty McNab, moved on over six years ago leaving the position vacant until now.

"My role is to rejuvenate the H&S rep systems, structure and training," she said.

Karen is working part-time, three days a week, at head office in Wellington.

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Mani Raumati

RAIL is part of Mani Raumati's blood lines along with Ngati Mutunga and being the great grandson of W Ratana.

As far back as he can remember, from his early days in Patea, Rail has been part of his life.

"The first present I received was a train set," he said, recalling all the rail towns and communities he lived in as the family followed his father – an LE based in such towns as Marton, Palmerston North and to Wellington to the rail community in Ngaio's Tarikaka Street.

Naturally, he followed in his father's footsteps, also becoming an LE.

Mani has been appointed as a part time facilitator based at head office to help rejuvenate and bolster the activities of the Wellington branch.

His task is to help the branch officials to bring about regular meetings, maintain effective records and raise their profile nationally through the pages of this magazine.

He says, so far, all the branch officials have been delighted to have some of the organisational work taken from them.

"They are really busy people and I hope my input will help bring the branch to life," he said.

For the last few years Mani has taken some time off to renovate his north Wellington home and planting a grove of native trees in his back garden. He's in awe of the number of native birds attracted back to his bit of paradise – and is even more delighted that his neighbours are following suit.

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factor. Large families received more than single workers for instance."

ANZCO has a long-standing partnership with Waitrose, a UK supermarket chain, and McDonalds.

During the dispute, one of the locked-out workers, Amanda Chase, flew to the UK to speak at the annual conference of UNISON – the union representing Waitrose workers. By all accounts she made a good case and garnered some strong support.

No doubt the generous financial and moral support from unionists and the general public – and the not insignificant threat of a Waitrose boycott – forced the CMP to reconsider its stance.

On December 22 CMP and the NZMWU reached a settlement. Workers accepted a pay cut (significantly less than the company wanted) but the company also dropped all the non-cost conditions and paid an additional $500 per worker when they returned to work.

"Standing strong together is the moral of this story and we should be prepared for more such confrontations over the coming three years," says Wayne.

A solidarity hug between Todd Valster and James after receiving the support from the Wellington Port branch.

One of the more popular demonstration was an overhead crane lifting an engine.

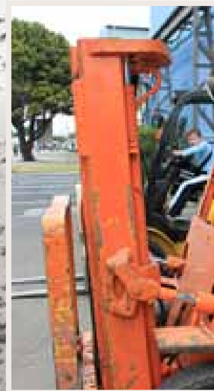
Hutt Workshops open day

Crane driver shows his emergency technique.

Steam trains continue to hold their fascination.

This yellow-crested cockatoo spends most of its day in the yard at the Workshops.

A ride on the jigger was fun for all.



MORE families visiting Hutt Workshop than in past years was a feature of the 2012 open day.

Approximately 2,500 people attended the Hutt Workshop's open day last month with more families than previously a feature. A gold coin entrance fee raised more than $3,000 for Te Omanga Hospice.

Workshop manager Karl Bouterey said families seemed to "enjoy the entertainment" especially the "locomotive rides and a massive crane demonstrating how it moves up to 100 tonne locomotives around the workshop".

The Open Days began in February 2010 to provide an opportunity for the public, especially those living nearby, to see what the workshop does.

"It's pretty impressive how many people turn up," said Karl. "A number of staff worked to put the event together and attended on the day to talk to the public, demonstrate and explain what we do. We are pretty proud of the work we do here."

The Workshop, which employs 180 staff, can be working on up to eight locomotives and numerous passenger projects at any one time as well as remanufacturing 17,000 rail components per year. It is one of the biggest heavy engineering workshops in the country and has been around for over 80 years.

"We are part of the community and support a lot of local suppliers," he said. "Opening our doors and raising funds for the local hospice was a good way for us to give back to our community."

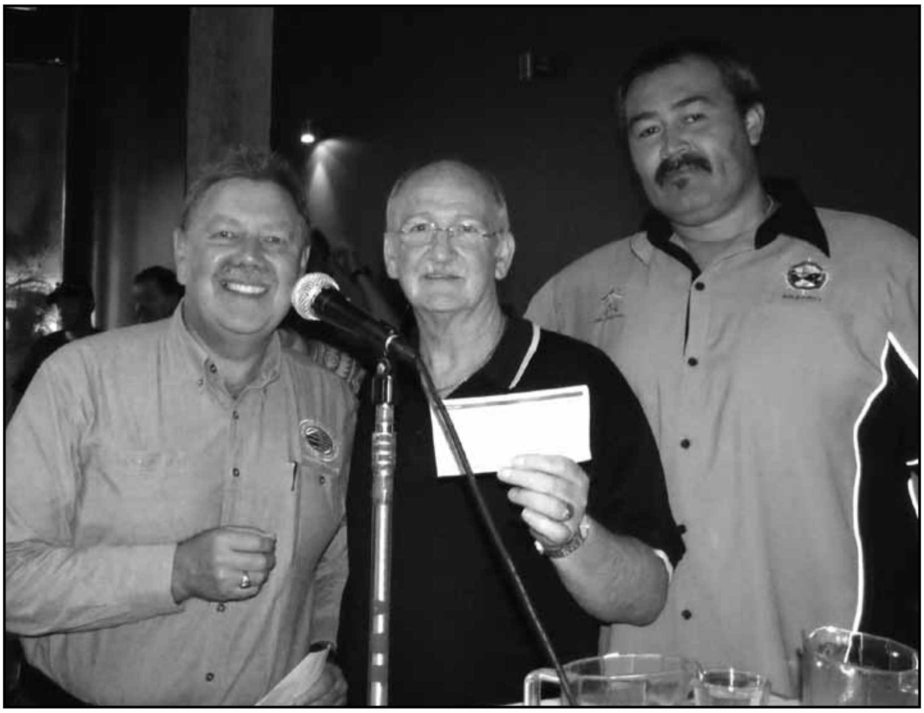
Jenni Anderson, Te Omanga Hospice marketing and communications co-ordinator says the total raised from this event represents over 30 home visits to patients and their families.

The Transport Worker's designer joined in with his grandchildren and their friend as they gasped in wonder at all the machines on display and clambered over and into everything they could.

Cans of drink and sausages were desperatley needed to raise energy levels.

In, on or around the big machines held everyone's attention – young and old.

RMTU members stand with Auckland port workers



Wayne Butson and Joe Fleetwood hand over a cheque to Gary Parslow. (below) Helen Kelly talking in Tauranga

NO rail or port member of the Rail & Maritime Transport Union will be crossing any picket lines during the Ports of Auckland strike, says RMTU general secretary Wayne Butson.

"Our members stand united with the Maritime Union of New Zealand," he said. "Whatever attacks on secure jobs Ports of Auckland management are hoping to achieve, will have an impact on workers in other ports including Tauranga as they move to maintain inter-port competition, which is rampant."

RMTU members at the rail and port branches at Auckland and Tauranga ports were briefed last month on developments at Ports of Auckland. Christchurch RMTU members will be briefed in early March.

"We are concerned about other Auckland workers and businesses, and the reputation of Auckland as an exit and entry point into New Zealand, and it is time for Auckland City, who owns the port, to intervene and direct the Ports of Auckland board to reach a settlement."

The ITF has put its weight behind Auckland port workers and their ongoing dispute with Ports of Auckland.

In a letter to Tony Gibson, chief executive officer of Ports of Auckland, ITF president Paddy Crumlin and ITF general secretary David Cockroft said: "The ITF considers this behaviour as an outrageous attack on basic trade union rights. If this attempt to force workers to abandon their existing agreements continues, the ITF will declare the port of Auckland a 'port of convenience' and will request affiliates around the world, particularly in the dockers' and seafarers' sections, to take immediate lawful action."

Wayne Butson said: "Ports of Auckland are going full steam ahead with their plan, hatched before negotiations with the union even began, to contract out work on the waterfront and destroy good jobs for port workers.

"What is so offensive about port workers having secure hours that they can plan their family life around? The workers were left with little choice than to strike again in order to try and achieve this.

"This dispute can be resolved if Ports of Auckland chose to return to negotiations. There is a standing offer from the Maritime Union which can be the basis for further talks."

"The wider Auckland public and business community expect the Port to talk reasonably with the Maritime Union without a predetermined agenda."

Wayne Butson said the RMTU members would be donating to the workers' support fund and would join other unions in supporting Ports of Auckland workers on picket lines.

A cheque for $10,000 is being sent to support the port workers from the RMTU.

Stop stealing New Zealand

Beware the evil behind the Trans Pacific Partnership Agreement and the new rights it gives corporations over governments.

NEW ZEALANDERS have spoken out against the sale of our assets recently.

We've said some things are too important to give away to companies to make profits off them.

But secret talks currently underway could have a much bigger impact on our ability to hold on to things we value.

New Zealand and eight others, including the US, are meeting behind closed doors on a deal called the Trans Pacific Partnership Agreement (TPPA).

If negotiations succeed, it would make it much harder for us to have a say in how we run the country.

That's why people are starting to give the TPPA a new name – Taking People's Power Away.

We hear a lot about free trade, but trade is only a minor part of this TPPA - that's just a clever sales pitch.

It's actually about the rights of corporations to have more control over us by giving them massive new powers and special rights.

Corporations would be allowed to sue the government for millions of dollars if the government went ahead with new policies or laws that affected the corporation's profits.

Every year 5,000 New Zealanders die too early because of smoking.

So lots of people think health measures like plain packaging of cigarettes are a good idea.

But under the TPPA, a tobacco company could complain that this hurts their profits, and sue New Zealand for compensation!

Sound like a load of rubbish? Think again. It's already happening.

Philip Morris, who makes Marlboro cigarettes, is suing the Australian government over plain packaging.

These special laws for foreign investors are standard in US-style trade agreements.

Under the 1995 NAFTA agreement between the US, Canada and Mexico, governments have paid out over US$300 million 'compensation'.

The TPPA would also affect other areas where the government wants to make laws to protect and benefit us.

Things like restricting land sales, genetic modification labelling, medicine prices and regulating the kinds of financial practices that led to the Global Financial Crisis would all be up for grabs.

A country's foreign investment laws would be locked in – they couldn't be made better in future if we were part of the TPPA – and foreign firms would also have to be consulted over proposed new laws.

Worse still, we're not even allowed to know what is in the TPPA.

The negotiations are secret, and documents wont be released until four years after the negotiations end (or collapse)!

Actor Martin Henderson said that spending time away from New Zealand had made him understand how fortunate we are to have everything that makes being a Kiwi so unique and special.

"A Trans Pacific Partnership Agreement would put at risk the best of New Zealand to give more power to foreign corporations," he said. "We have so much to lose with this shonky deal: control of our land and natural resources, affordable medicine, cultural diversity."

This deal is no good for NZ. A campaign to stop it is underway. Find out more at:

www.tppwatch.org

or

http://www.facebook.com/stopstealingnewzealand

Around the lower South Island

Mark Burton networks delegate, Invercargill installing vital infrastructure at Edendale

Martin McConnachie diesel mechanic & multiple Masters' Games gold medallist, Port Chalmers.

Cory Saxton rail operator, KiwiRail freight, Dunedin.

Daryl Wood mechanic, Port Chalmers

Neville Black RCO, Edendale

-(l) Stu Johnstone, branch chair Hillside and (r) Tim Spence branch secretary, Dunedin.

Auckland EMU cab mockup

Here is glimpse of the proposed cab of the new EMU's for Auckland. The cab is full width with two external doors, one each side, from the cab. The controls will be state of the art with a train management screen and CCTV screen. A team of RMTU members and delegates are working hard consulting on this new train.

Fijian junta cracks down on unions

UNIONS worldwide have strongly condemned the Bainimarama regime's decree removing the rights of Fijian trade unions and their members.

The Fijian military regime of Commodore Frank Bainimarama implemented the sweeping anti-democratic legislation, called the Essential National Industries (Employment) Decree 2011, in September 2011. Its stated purpose they say is to "ensure the viability and sustainability of certain industries that are vital or essential to the economy and the gross domestic product of Fiji".

Workers in these "essential" companies are now banned from taking any "job actions, strikes, sick outs, slowdowns or other financially or operationally harmful activities . . . for any reason". Workers who do take any such action will face fines of up to $50,000 and five years in prison. If they persist the potential fines and jail terms double.

Additionally, workers in these industries have been stripped of all overtime pay on weekends and public holidays, while airline-related workers are ineligible for any overtime payments. Existing enterprise agreements have been abolished and, where a new one has not been reached, companies can unilaterally impose an agreement or individual contracts.

None of the decree's provisions can be legally challenged.

So far, the list of companies classified as "essential" includes banks, the Revenue & Customs Authority and several state-owned industries, including telecommunications, broadcasting, electricity, water and airline companies. Bainimarama has the authority to declare any company to be "essential".

Air Pacific, which is 46 percent owned by Australia's Qantas, reportedly hired a US law firm to assist the military government to draft the new decree.

The Decree also requires existing unions to re-register making existing collective bargaining agreements void.

Solidarity with Fijian unions has been promised by union leaders in Auystralia and New Zealand.

ITF general secretary, David Cockroft said: "Declaring Air Pacific as an essential service on an island with plenty of competition from foreign carriers is clearly nonsense. It proves, yet again, that this latest action by the Fijian regime is aimed at destroying the trade union movement in Fiji."

Join the protest at:
http://bit.ly/oXoT2bv

Otira Tunnel Review

THE RMTU and KiwiRail have begun a review of safe work procedures for train operations in the Otira Tunnel. The review will consider the hazards and risks currently present and likely to be encountered (with increased train size) and recommend improvements to manage hazards and prevent harm to employees. Members of the project working group (l to r) (standing) Brent Gillett, Ian Cotton, Neil Campbell, Jed O'Donoghue, Mike Williams, Mike Morgan, Phil O'Connell, Wayne Butson. (Seated) Karen Fletcher, Hazel Armstrong, Chris Stoop, Aaron Temperton, Brian Armstrong.

PORT NAPIER BRANCH

KIA ORA brothers and sisters, here's to a safe and productive new year.

Over the last couple of months there have been two prominent issues that are not just of interest to unions but also the wider public.

Two main concerns

First, the Port of Auckland and the inability of its management to find the common ground with our MUNZ brothers and sisters toward finding solutions to move forward. We must all consider carefully the proposals and possible outcomes of what their members are facing. This crisis has the potential to undermine the whole union movement. PoA management are shifting the goal posts every other day, creating one crisis after the other and distorting the real picture and facts. They have lost the common in 'common sense'. In the view of many there is a greater conspiracy at hand in terms of where employers and the government want to take IR – down the f**** drain!. This may be the test case for many for the National government.

The second concern is this government's short term thinking about asset sales. The affect of this type notion has cascaded down to local governments and councils. Recently our local rag had editorials commenting on the possible sell down of the Port of Napier. Some comments were factual while others were misrepresented. However, these sell downs become short term cash gains for cash strapped councils with big plans, such as the proposed plans for a massive irrigation dam in central Hawkes Bay. The Port of Napier is now in a holding company set up by the regional council. This in itself gives speculation as to how the council may wish to utilise the Port and its assets for its own end.

Debate has begun

The debate has already started over any sell down of the Port's value and where the council sits in terms of the annual return from the Port. Ultimately it will compound negatively on you and me – Joe Ratepayer.

The other down side to creating public companies out of ports, and, with no disrespect to Tauranga, is the Industries Commission's scriber pushing the interests of the blue brigade and their cronies in an ill-advised document that seems to fly in the face of what they were meant to report. In reading through the CTU response it may open the door to an unskilled, ununionised, unsafe industry.

The Port of Lyttleton and Hutchins situation revisited!

At the coal face

Back to the coal face, we will be recommencing negotiations for the main agreement and looking to some finality asap.

Peter OíNeil and Brent Russell have been signed off as Gottwald crane operators and will join the crane drivers' agreement. It is a bonus that these guys came up through the driver's pool and the Port company management have supported this idea.

We are taking a bit of a hammering currently both from a labour and space perspective. We have been cross hiring both HBSS and C3 for timber vessels and the full season is yet to kick in.

Lastly, we thank and say our goodbyes to John McDonald who retired after 30+ years of service. A staunch union member and a great advocate and advisor over the years. We wish you all the best in your retirement John.

Honour in unity.

PORT TARANAKI BRANCH

Cupid over Port Taranaki

The marriage of crane driver Rob Murray and launch master for Port Taranaki's pilot launch, Andrea Chadfield, on February 18 took place in sight of their workplace at Oakura. Officiating was Andrea's dad Dave Chadfield, known as (Happy Chaddy) who is not only the owner of Happy Chaddy Charters at Port Taranaki but also a marriage celebrant.

WELLINGTON RAIL BRANCH

Sixty-year veteran

SIXTY years working in the rail industry has taken Bill Veale (pictured right) from a junior porter's job at Wairoa to a booth in the ticket office at Wellington Railway Station. Last month his service was recognised at a function attended by CEO Jim Quinn and senior passenger staff.

In an interview in Kiwirail's staff newsletter, Express, he said: "When I joined the Railways I earned a shilling and threepence an hour which worked out double what I was getting on the farm. It was better than working seven days a week for peanuts."

Soon after he started, he was moved to Gisborne where over the next four or five years, as well as cleaning out railcars, he became involved in increasing amounts of recording work.

One evening in 1967, he was working on the railcar carrying 88 people that collided with a freight train.

"I was at the front of the railcar. The driver was on one side and I was on the other. When we realised there was going to be a collision, we dived out the door. I remember lots of blackberry and freight wagons flying over me. It was so eerie. I couldn't get back to the train because of the wagons. I didn't have a torch and I had to get to the road to find the railcar again."

He finds people better now than they were in the past. "People come up to me and say, 'are you still here?' I tell them, 'you don't get paid if you don't work!'"

Now 75, Bill says he'll carry on working as long as his health lasts. "The doctor's quite happy with me at the moment."

WELLINGTON RAIL BRANCH [cont]

[left] Pictured are the upgraded Tranz Metro Wellington lunchroom facilities which include full redecoration, flat screen TVs, new fridges and an extension through the back wall, and (above) long term train manager Mike Don and Tranz Metro manager Scott Brooks prior to the opening of these new facilities.

HUTT WORKSHOP BRANCH

GREETINGS to all from the Hutt Workshops Branch. Most of us have trickled back to work and are into the swing of things after a well-deserved Christmas break although a handful worked through the immediate holiday period assisting the in-house maintenance team. Yes, we still have such a team although our property group cousins are looking to turn us into tenants of the buildings on-site and utilise an external service provider (I'm trying to avoid the 'C' word) which will have a yet-to-be-identified impact on our small team of trouble-shooters and fixer-uppers. They also maintain a watching brief on the odd contractor, oops, 'external service provider' who are engaged from time to time. Whilst a couple of semi-formal meetings have taken place, there has been no tabling of anything in writing to support the conversations that have taken place thus far, despite requests for proper information. We remain concerned that some corporate person's 'bright-idea' to save time and money is going to drain more of KiwiRail's time and money. The lack of quality effort put into making changes in the company never ceases to amaze us and leave us dismayed.

Speaking of effort, the company is meant to be kicking-off a drug and alcohol road show covering the hotly-debated topic of 'random testing'. Whilst the RMTU has changed its philosophical view on this subject, the current substandard (company) policy document, its workings and inconsistent application will make this a hard sell unless the presenters clearly demonstrate that they've taken a holistic view and put some real effort into this matter and come up with a damn good proposal for us to consider, to comment upon and subsequently vote on (as part of the bargaining process). By the time you read these notes, our road show should have occurred so we'll know how 'interesting' the next few months will be.

The workload continues in a steady state at the moment although at the time of writing we still have no indication of when the sign-off for the Ganz (EMU) project will occur; Every two months or so we seem to be getting closer but nobody at regional council level is actually getting the pen out of their pocket and putting a drop of ink on the paper to give this $80M project the green light to proceed.

What is proceeding on-site is the investigation and evaluation of the structural soundness of our main buildings. Engineers' tests and reports are in-hand which will give the company an improved overview of the site and the physical shape it is in.

Late last year the staff themselves got a reality check with some safe spine training aimed at reducing risk and injury to our spines. The thought of exercise routines and attention to posture was a shock to some and positive reinforcement to others. The training took place in both the classroom and individual worksite locations. We look forward to the promised follow-up visit sometime soon to check on progress and cover-off those areas that missed out. This additional visit is also meant to introduce additional training to enhance the message of injury prevention.

We're still waiting for the final installment of the JRA staff survey. We've had the initial report and overview but not the full and final one complete with the comments. Was it really that bad despite some statistical movement upwards? Time will tell.

We're planning to have an open day in mid-February (Sunday 19th) to raise funds for our local (Lower Hutt) Te Omanga Hospice. Volunteer numbers were down initially putting the event at risk. However some more names were forthcoming once some coercion was applied! We even got some help from our Wellington branch cousins. I'm told. I hope (weather permitting) that if the event is as successful as the last one

HUTT WORKSHOPS BRANCH [cont]

(2010) we will have some good stories to tell in the next lot of Branch notes.

I must acknowledge the efforts of management in addressing the administrative burdens imposed upon us by various acts and associated rules and processes. There are variations to plans etc that must be stated and signed-off to ensure our various obligations are discharged – a difficult enough task when things run smoothly.

By way of a final note, let's hope our Auckland MUNZ brethren have resolved their dispute with Ports of Auckland by the time you read this. I'm sure many would have already responded to the various calls for support thus far – as we did for the locked-out CMP meat workers in the Rangitikei in the run-up to last Christmas.

Until next time – let's continue to stand stronger together.

MARLBOROUGH PORT BRANCH

ANOTHER year has been thrust upon us with summer never truly arriving in the beautiful Marlborough Sounds, but we hope you all had a safe and happy holiday.

The branch has been fairly quiet but these things can change in the scratch of a vehicle. The drug and alcohol policy seems to be creating quite a stir here, especially for the Interislander. So the question for us is: Where, and at what point, do you draw the Line? Hopefully the question will be answered.

Ships are coming and going with the odd lack of communication between ship to shore. You would think that we could get that sorted. To be fair, most of the time we work as a team.

The Aratere's problems seem to have improved somewhat, but what happened to the question that we put to Jim Quinn about accountability? It seems to have been pushed under the carpet like most things, or perhaps we are not important enough to be given that bit of information. On that note the staff were sent letters to everyone's mail box just before Xmas saying what a sterling effort we did during that dry dock period. On talking to my fellow brothers and sisters not one of them didn't turn that envelop upside down and give it a bloody good shake to see if anything else fell out. I suppose we should expect that from our wonderful leaders but it goes to show how much they value their employees in what was pretty much a disastrous dry dock period.

Be safe and remember we are Stronger Together.

PORT OF TIMARU BRANCH

THE Port of Timaru sub-branch continues to organise as part of our rebuild plan.

Late last year the Mike Nijssen, branch secretary and Naylor Young, branch chair, together with Aymee Geeves and Andy Donoghue attended a delegate training day at the Community Lounge in Caroline Bay. This group worked on developing the organising plan that we had drawn up in June 2011.

Key features of the plan are to ensure delegates are trained and supported, that members know their union is active and that we hold regular branch and executive meetings.

We put on a social function for members during Waitangi weekend which was well attended and the executive has met twice already this year. We have a full branch meeting scheduled for 28 February. Delegates have been issued with RMTU clothing and the executive has approved the purchase of a laptop for use by the branch chair. Our notice boards are being kept up to date and we're trying to make regular contributions to The Activist and The Transport Worker.

All of this is basic but vital stuff, and is the kind of thing any delegate, no matter what their experience, can do. It's early days yet but we believe our branch is growing in confidence.

OTAGO RAIL BRANCH

HANLON CORBETT, who was badly injured in a shunting accident, is making good progress and is now back at work for a few hours per day.

Owing to the lack of success in getting locomotive entertainment radios up to a standard whereby they actually work as opposed to just being fitted and making loud static, the issue has been included as a claim for the next wage round. There are some interesting ideas being floated as to what we can expect from the collective contract negotiations. It may well be a difficult year to make gains without having to show some resolve.

Taieri Gorge Railway is celebrating 25years of operation and we can celebrate a good density of membership and considerable success in the collective agreements that have been negotiated.

All those who voted National at the last election are about to reap what they have sown: the asset sale process has begun and it will be too late to undo the travesty that will ensue. The truly unfortunate thing is that we all get dragged down.

This March will see 10 years since the social experiment of outsourcing was tried. It has certainly been a mixed ride for those who have managed to stay throughout.

Although the first anniversary of the February 22 earthquake has passed our thoughts are still with our workmates and colleagues in Christchurch who are still suffering from domestic and work related problems.

HILLSIDE BRANCH

GREETINGS from Hillside where 2012 saw us change from 4 x 10 hour days to 5 x 8 hour days following consultation with local management. Despite the membership unanimously voting to retain 10 hour days, the change went ahead. The change has elicited a variety of responses with some opting to work overtime at the end of the shift, andsome finishing at 3:30pm to spend time with family. However, morale remains low as a result of last year's restructure.

Workload remains high. There is plenty of overtime for those who want it. On a positive note, following lengthy consultation, Hillside is advertising for nine staff for a fixed term of six months to meet customer demand. This scribe understands that some of those made redundant last year have applied for these positions. Staff retention is becoming a problem with several members resigning to head 'across the ditch' looking for pastures greener. We wish them well, though this further weakens our skill base.

It was cold comfort to read in a media release that the Chinese built IAB container wagons are suffering high unreliability rates. This is as we predicted. However, the unavailability of these wagons will restrict KiwiRail's ability to satisfy its customers' demand, thus threatening more jobs. It is time to stop debating their relative merits (or lack of) and focus this energy into finding ways to lower the cost of New Zealand built wagons. We have all bought bargains only to have them fail to perform the purpose intended, and then replaced them with higher cost higher quality products. This branch hopes KiwiRail will also realise that although New Zealand-built wagons are initially more expensive, there will be savings over the life of the wagon in reduced repairs – and higher availability. The Key-lead national Government wax lyrical about creating employment to stimulate the economy, here is gold-plated opportunity. Not only to kick-start the economy but to train young New Zealanders and provide the engineers New Zealand will need to operate and maintain its railways, dairy factories, freezing works and industries in general.

Over recent weeks a local community newspaper has run stories stirring up negative sentiment around the redundancies of last year. While we all still mourn the loss of our brothers and sister, and will continue to support them as and when we can, there comes a time in the grieving process to focus to the future. Many left Hillside after a lifetime working here – 40 years service was not unusual - and it falls to those of us left to create opportunities for future generations to continue their legacy.

Building cooperatives in South India

OVER the next three years UnionAID will help organise and fund five cooperative-based businesses and more than 120 micro-enterprises in an exciting new project in South India – an international model for union-led local economic development.

A jewellery-making group who meet weekly in a village street.

This new project builds on UnionAID work of the past three years which has organised more than 30,000 people in Dalit and Tribal communities and will help them achieve economic independence.

While India may be prospering economically it has failed to impact on two of India's poorest and most disadvantaged groups: Dalit (untouchable) and Tribal (indigenous) people.

This project starts at grass roots level and, by breaking the cycle of poverty and discrimination, will improve the livelihood choices and economic security of communities in Tamil Nadu.

The project will assist these communities to:

- Establish five cooperative-based businesses: goat and sheep rearing, agricultural farming, sandal making, bamboo basket weaving, and Gypsy crafts;
- Form 120 micro-enterprises including floristry, jewellery crafts and organic manure products;
- Train 155 key representatives to deliver basic vocational and business skill training to 1,045 participants from local communities to increase their earning capacity and employability.

Funding challenge

Gareth Morgan, through his Morgan Foundation, has agreed to match every dollar UnionAID raises up to $30,000 a year for this project. This provides a new urgency to recruit Kiwi Solidarity Members committed to monthly donations. Please help us by recruiting friends and family with monthly $10 – or even $5 – donations. It will make a real difference. UnionAID is the only development agency with a focus on workers' rights and which spends 100% of its donations on project funding.

UNION Aid

Become a Kiwi Solidarity member

Your regular donations mean that UnionAID can guarantee funding to its projects. A small amount each month makes a real difference to people's lives. Sign up for monthly donations now at UnionAID, PO Box 6689, Wellington
email: unionaid@nzctu.org.nz

Your union charity spending your dollars wisely

PORT CHALMERS IN FOCUS

Gary Donaldson

Paul Foster

Bruce Walker

(l) Jeff Anderson on his last day at work – 37 years on the job.

Darryl Wood