



TERMS OF SETTLEMENT FOR THE KIWIRAIL AND RMTU MULTI-EMPLOYER COLLECTIVE AGREEMENT 2021

DATE: 9 December 2021

The terms set out below are considered a complete settlement of all claims raised by the parties in the process of bargaining and these terms are offered as a package in its entirety.

There are to be no changes, other than those set out in this document, to the existing KiwiRail Holdings Limited and KiwiRail Ltd and Rail and Maritime Transport Union Multi-Employer Collective Agreement 1 July 2020 – 30 June 2021.

**Term**

The term of the new MECA has been agreed as two years from 1 July 2021 to 30 June 2023.

**Market Study**

As a result of the market study reviews for Pay Scales 2, 4 and 7, the parties have agreed to move those hourly rates that are calculated to be below 100% of the market median to the EY median salary equivalent. This agreement will not set a precedence for KiwiRail's approach to being a market median payer (+/- 10% of the market median).

The pay codes and designation changes are:

Pay code	Position	Current hourly pay rate	New hourly pay rate – effective from 1 July 2021
60131	Traction Line Mechanic Level 1	24.28	25.98
60132	Traction Line Mechanic Level 2	25.94	26.92
60134	Senior Traction Line Mechanic	30.18	33.48
60135	Leading Hand Traction Line Mechanic	32.96	34.40
60061	Traction Electrician Level 1	34.28	36.40
60063	Traction Electrician Level 2	35.43	39.01
60065	Leading Hand Traction Electrician	39.95	42.75
46190	Senior Storeperson	24.70	26.21
60172	Store Person Level 2	24.90	27.49
60081	Signals Maintainer Level 1	23.95	25.46
60092	Signals Equipment Technician Level 2	26.90	28.94
60095	Senior Signals Equipment Technician	33.78	34.09
60096	Signals Equipment Technician Leading Hand	37.01	38.53
60103	Signals Equipment Assemblers Level 3	29.01	29.19
60142	Signals Line Mechanic Level 2	27.84	31.12

60183	Senior Safety Protector	29.77	32.00
42400	Mechanical Engineering Level 1	22.65	24.99
42410	Mechanical Engineering Level 2	24.69	26.20

### **Wage and Allowance Increases**

A flat rate increase of \$2.48 per hour shall be applied to all printed wage rates, effective from 14 November 2021. All printed allowances shall increase by 8% effective from 14 November 2021.

All printed wage rates and allowances will increase by a further 4% effective from 13 November 2022.

### **Pass on (consistent with past practice)**

KiwiRail accepts that there shall be no pass on of any financial gain on which agreement was settled, or any gain contained in this settlement or collective agreement, to any employee who is not a member of the Union and falls within the coverage clause of the collective agreement.

### **Living Wage**

The Living Wage will continue to apply to any rates in this Multi-Employer Collective Agreement which fall below the published Living Wage on 1 September every year. KiwiRail commits to continuing to make progress towards becoming a Living Wage accredited employer by extending the Living Wage principle to its contractors as soon as it is able.

### **Undertakings of the parties:**

- a. That the KiwiRail Discount Scheme be reinvigorated and advertised to all employees as a matter of priority during the term of the MECA.
- b. That the Coverage Clause (7) of the MECA be referred to the joint RMTU - KiwiRail Administration Council for review and possible rewriting using HPHE principles.
- c. That the joint RMTU - KiwiRail Administration Council agree a definition for "Safety Critical" occupations/roles within KiwiRail using HPHE principles.
- d. That the ROM S3 and S9 reviews be completed during the currency of this MECA.
- e. The Interislander Council will review the job description and specification for Load Marshalls during the currency of the MECA.
- f. KiwiRail commits that it shall undertake, in partnership with the RMTU, a review of all existing infrastructure gang sizes, coverage and skills to ensure that they are correctly resourced.
- g. That the review of Pay Scale 1 shall be referred to the Administration Council for completion during the currency of this MECA.
- h. That the Administration Council be retained for the consideration of all future administrative issues which span the whole of KiwiRail.
- i. That the internal relativity study between comparable parts of Pay Scales 2 and 4 be completed during the currency of the MECA with representatives from the relevant Industrial Councils.
- j. That the previously agreed and ratified variation to Train Control progression will be incorporated into the MECA.

**Formerly agreed undertakings to be continued as part of this MECA:**

**a. Relationship Charter (August 2014)**

KiwiRail and the RMTU agree to actively use the Relationship Charter as its guiding principles to meet not only its Good Faith requirements but for any initiatives nominated by either KiwiRail or the RMTU.

**b. Terms of Reference for Industrial Councils**

KiwiRail have developed a terms of reference template which can by agreement by both parties be altered for each Industrial Council or can include RMTU delegates from other Industrial Councils.

**c. High Performance High Engagement (HPHE Charter 27 September 2016)**

KiwiRail and the RMTU agree to continue developing High Performance High Engagement and working collaboratively to achieve mutually beneficial outcomes such as operational business improvements.

**d. Drug and Alcohol Policy and Procedures**

KiwiRail and the RMTU agree to the continuation of the Drug and Alcohol and Procedures review that followed the settlement of the 2014 Collective Agreement.

**e. Book-On and Book-Off Arrangements**

KiwiRail Freight have advised that they are considering the introduction of new rostering technology that may include electronic book-on and book-off arrangements. The parties agree to work together, through the KIC to ensure a successful transition as the technology evolves.

**f. Company Required Medical Examinations**

KiwiRail agrees that if an employee is booked on a company required medical examination on a day of work, they will be paid relevant daily pay for their rostered hours. KiwiRail medical examinations on an employee's rostered day off are voluntary. If the employee attends a medical on their rostered day off, they will be paid 4 hours' relevant daily pay.

**g. Special Paid Union Leave** The existing arrangements in respect of paid leave of employees for union purposes are renewed in these Terms of Settlement. As for previous years, the provision of special leave on pay for union officers will be on the basis of one day per 25 members.

As at 28 September 2021, KiwiRail employed 2576 members of the RMTU who are party to the Collective Agreement. This equates to 103 days ( $2576/25 = 103$ ) union leave days for the year 1 July 2021 to 30 June 2022. This can be adjusted at 1 July 2022.

The Employee Relations Manager should receive applications preferably 21 days prior to the date of the commencement of the intended leave.



**h. Trade Certification Pay Scales 2 & 5**

The Parties agree to continue the grandparenting of the Trade Certificate Payments for the 9 or otherwise remaining staff named in the KiwiRail Infrastructure and Asset Management Schedule.

**i. Prescription Safety Glasses (as agreed by the parties on 27 May 2016)**

**Ratification processes and Signing this terms of settlement**

KiwiRail's CE will ratify the terms of settlement for KiwiRail by signing this terms of settlement agreement prior to ratification by the RMTU.

RMTU General Secretary will sign this terms of settlement agreement which is then subject to ratification by union membership

Upon signing this agreement both KiwiRail and RMTU officials agree to recommend this settlement.

**Meeting arrangements**

The RMTU will proceed through its agreed balloting process (as stated within the signed Bargaining Process agreement) and a series of report back meetings to members at various locations and called for that purpose. The meetings may be joint meetings with nominated RMTU official(s) and Employer official(s) with agreed scheduling. All actual and reasonable travel, accommodation and meal expenses associated with the report back and ratification meetings for agreed RMTU employee delegates and officials will be met by KiwiRail. In addition KiwiRail will pay the wages of agreed RMTU employee delegates who may be required to attend negotiations on a rostered day off.

It is agreed that KiwiRail and RMTU will work to encourage and facilitate maximisation of membership attendance at regional report back and ratification meetings. The meetings will be full stopwork meetings with no trains departing the meeting location during the time of the meeting. All terminal operations shall halt during the hours of the report back meetings at terminals.

**The RMTU confirms that its ratification procedure is:**

The RMTU confirms that the ratification process is the normal postal ballot and that unless 33% or more of members vote to reject the settlement that it will be deemed to have been ratified by the members

**This settlement is only subject to ratification by union membership.**

SIGNED



**TODD MOYLE**  
Acting Chief Executive  
KiwiRail

SIGNED



**WAYNE BUTSON**  
General Secretary  
Rail & Maritime Transport Union  
Inc.

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