



Rail and Maritime Transport Union Submission on the Local Government (Port Companies Accountability) Amendment Bill

29 June 2026

Introduction

1. The Rail and Maritime Transport Union (RMTU) welcomes the opportunity to submit on the Local Government (Port Companies Accountability) Amendment Bill.
2. The RMTU represents approx. 6,000 workers employed across New Zealand's rail, ports and freight sectors. Our members are directly affected by the governance, investment and employment decisions made by port and stevedoring companies.
3. The Union supports the intent and provisions of the Bill.

Support for the Policy Statement

4. The RMTU agrees with the policy statement underpinning the Bill:

"All publicly owned entities, including ports, should be subject to public accountability and transparency requirements."

5. Port companies are publicly owned assets and perform essential economic and supply chain functions. Despite this, they have remained exempt from important accountability mechanisms that apply to other council-controlled organisations (CCO's).
6. The Port Companies Act 1988 established a corporatised model that prioritised commercial objectives while excluding port companies and their subsidiaries from key provisions of the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 (LGOIMA).
7. As a result, ratepayers, communities, workers/unions and port users have limited ability to scrutinise decisions that affect publicly owned strategic infrastructure.
8. The Bill restores normal public accountability by requiring port companies to:
 - Be subject to the Local Government Official Information and Meetings Act 1987;
 - Act as good employers;
 - Exhibit social and environmental responsibility by having regard to the interests of the communities in which they operate.

Transparency and Accountability

9. New Zealand's ports are critical national infrastructure. They handle approximately 99 percent of New Zealand's international trade by volume and are vital to regional economies and supply chain resilience.
10. Decisions concerning port investment, land use, safety, employment and operations have significant economic, environmental and social consequences. Such decisions should be subject to public scrutiny.
11. While regional councils that own ports are fully subject to LGOIMA, the operating companies themselves remain exempt. This anomaly has existed since the passage of the Port Companies Act 1988.
12. The current arrangements mean that communities and workers have no statutory right to seek information about how publicly owned port companies are governed or how significant decisions are made.
13. The RMTU rejects suggestions that applying LGOIMA would undermine the commercial operations of ports.
14. The Act already contains comprehensive safeguards protecting commercially sensitive information. Section 6 of the LGOIMA and related provisions allow information to be withheld where disclosure would:
 - Prejudice commercial activities or negotiations;
 - Endanger the safety of any person;
 - Compromise legal professional privilege; or
 - Prejudice the maintenance of the law.
15. The Bill strikes an appropriate balance between transparency and the legitimate protection of commercially sensitive information.

Good Employer Obligations

16. Port operations are characterised by shift work, heavy machinery, fatigue risks and significant commercial pressures.
17. In such an environment, good employment practices are not simply desirable—they are essential to maintaining safe and productive operations.
18. Experience has shown that poor employment practices lead to conflict, lower trust and poorer operational outcomes.

19. The requirement that port companies act as good employers will align them with other council-controlled organisations and provide an important framework for productive employment relationships.
20. Ports are long-term public assets. Their success depends on skilled, committed and experienced workforces. Stable employment and constructive engagement with unions contribute to improved productivity, stronger safety performance and greater workforce commitment.

Health and Safety

22. Health and safety considerations strongly support the need for greater accountability and transparency.
23. Port work involves exposure to significant risks including moving plant and vehicles, heavy cargo, fatigue, working at heights and interactions with rail and shipping operations.
24. New Zealand's record on fatalities and serious harm in the port sector compares poorly with comparable jurisdictions. Fatal incidents occur at a rate that is disproportionately high relative to the volume of cargo handled.
25. Compared to the United Kingdom and Hong Kong, our rates of death in the ports sector are still twice or three times as common. Compared to Australia, we have a similar number of fatalities but Australia moves significantly more cargo. Notifications data, and sector incident reporting, also shows an increase in serious injuries and incidents. In part, this is likely to be attributed to challenges around congestion and workforce issues. Further, the Port Sector Insights Picture¹ highlights a number of critical risks and cross-cutting causes of harm which we need to focus on as a sector, in order to reduce fatalities and serious harm on ports.
26. The consequences of governance failures have been tragically demonstrated.
27. The death of a worker at Lyttelton Port Company in 2022 was found by Maritime New Zealand to have resulted from systemic failures rather than isolated mistakes.
28. Likewise, the prosecution and conviction of the former Chief Executive of Ports of Auckland – Tony Gibson highlighted the importance of due diligence and effective governance in ensuring health and safety obligations are met.
29. Greater transparency would enable communities, workers and unions to have improved access to information relating to safety performance, incident trends and organisational decision-making.
30. Increased accountability creates stronger incentives for boards and management to prioritise worker health and safety alongside commercial objectives.

Social and Environmental Responsibility

¹ Port Sector Insights Picture and Action Plan Port Health & Safety Leadership Group

30. Ports operate in environments that are environmentally sensitive and culturally significant. Port activities such as fumigation of logs, emissions from ship exhausts, fine dusts from wood, coal and bulk cargo, diesel particulate, storm water discharge, wharf cleaning and noise pollution are environmental risks affecting both air and marine quality. Risks must be well managed and monitored to protect the health of port workers, the community and the marine environment
31. The Bill provides community groups and Iwi with an avenue to seek information about the Port's risk mitigation processes including air and noise monitoring results .
32. Port companies should therefore be required to consider the social, economic and environmental wellbeing of the communities in which they operate.
33. The Bill recognises that ports are not merely commercial enterprises but publicly owned institutions whose decisions have broad public consequences.

Alignment with a National Ports Strategy

34. The RMTU supports the development of a coordinated national ports strategy.
35. The current model encourages excessive competition between ports, leading to duplication of investment, under-utilisation of infrastructure and outcomes that benefit international shipping companies rather than regional communities and the national interest.
36. Greater transparency and accountability are essential foundations for any future national ports framework.
37. A coordinated and efficient ports system cannot be achieved while individual port companies remain insulated from public scrutiny and accountability.

Conclusion

38. The RMTU supports the Local Government (Port Companies Accountability) Amendment Bill.
39. The Bill restores accountability to publicly owned port companies and aligns them with the standards expected of other council-controlled organisations.
40. The application of LGOIMA, the requirement to act as good employers and the obligation to consider social and environmental responsibilities represent modest but important reforms.
41. These changes will strengthen transparency, improve governance, community engagement and support safer port operations
42. The RMTU thanks the Committee for the opportunity to make this submission and wishes to appear before the Committee to speak to it.