

New Zealand rail union enters talks ahead of national strike

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The New Zealand Rail and Maritime Transport Union (RMTU) entered facilitated mediation with state-owned KiwiRail on Monday in a bid to avert two rail strikes by 2,500 workers on December 16 and 17.

The strikes, should they go ahead, would be the first national stoppage of the rail system since 1994. A postal ballot saw 1,420 workers vote in favour of striking and just 81 against, a sign of rising anger over low wages and the cost of living, which is pushing workers throughout the world to enter into struggle, against the efforts of the trade unions to prevent it.

RMTU general secretary Wayne Butson told media that Monday's talks were "very short, and we weren't able to get any form of pathway" to a resolution. While KiwiRail is offering "quite a bit less" than the union is seeking, Butson declared he is "optimistic" of a settlement before the strikes.

The RMTU has served notices for a one-day stoppage by South Island workers on December 16 and in the North Island on December 17. Train control functions are located in the North Island, so operations in both islands will be stopped on December 17. All rail movement including freight, inter-island ferries and the Auckland and Wellington Metro systems will be impacted.

The RMTU is calling for an 8 percent general wage rise over 12 months, which it says is to cover increased living costs in the last two years. The company initially offered a two-year term with a 2 percent rise to wages and allowances in each year. A lump sum of \$750 would be paid to RMTU members covered by the agreement. The company is also pushing attacks on current Lieu Day entitlements and Medical Retirement changes.

KiwiRail's latest offer, made last month, is for a 3-year term with a 4 percent wage increase in the first

two years and 3 percent in the third year. With annual inflation currently at 4.9 percent, the offer amounts to an effective pay cut.

Butson had earlier declared that the sudden resignation last week of KiwiRail's chief executive Greg Miller had raised hopes for "a different approach" by management. Miller stepped down following an external review ordered by the board after seven executives and other senior staff quit amid complaints over the company's "culture."

The RMTU's record of collaboration with KiwiRail was highlighted by Butson in the *New Zealand Herald* last week. He declared; "Rail is very heavily unionised. CEOs have always seen us as important stakeholders... We always had a once-a-month sitdown with Chatham House rules just to talk through our concerns. It was very good for lifting the lid off the [concerns] pot so there was no boil-over."

The union's 8 percent claim will do nothing to restore or improve the conditions of rail workers. The fact that the union says it needs to "catch-up" for the last two years is a condemnation of the RMTU's failure to fight for a pay claim. Fresh negotiations were due in 2020.

Like other unions, the RMTU used the COVID-19 pandemic to suppress struggles over pay or health and safety conditions in order to defend business profits and the Labour-led Ardern government. Butson told Newstalk ZB on November 23 that the "responsible" RMTU had "kept those trains moving all through those COVID lockdowns. We did our bit helping New Zealand."

All workers meanwhile face rapidly escalating attacks on their living standards. The Reserve Bank has forecast that inflation will run above 5 percent for the next three quarters. House prices were up by 30 percent

in the year to October, and according to the website Trade Me, median rents increased by 8 percent.

There is considerable nervousness in the ruling elite that even a short-lived national strike by rail workers will interfere with plans to fully “open up” economic activity once all COVID-19 restrictions are removed this month. The *Herald* warned that the country is grappling with “pandemic-fuelled supply chain congestion and lengthy freight delivery delays, exacerbated by the approaching Christmas season.” The opposition National Party has demanded the government intervene to avert the strike.

Pointing to broader concerns, National’s workplace relations spokesperson Scott Simpson declared: “Thanks to inflation... we can expect a lot more strike action to come, as workers in every sector look for pay rises to keep up with higher food, fuel and housing costs.” A small but growing wave of strikes is underway in the retail, distribution and aged care sectors. Workers at the Port of Timaru have also voted to strike.

Rail workers can place no trust in the RMTU to wage a real fight for decent pay and conditions. The RMTU is not a workers’ organisation but an instrument of the companies. In a settlement reached in August 2018 with KiwiRail, the RMTU delivered a paltry \$1.60 per hour increase for members. The then-CEO Peter Reidy praised the union’s “partnership” with the company.

In another deal in November that year with private multi-nationals Transdev and Hyundai Rotem (THR), covering 417 rail workers in Wellington, the union pushed through a meagre 2.3 percent increase after dropping three of its own claims, including for improved penalty rates and sick leave.

The result was achieved through an anti-democratic ballot process in which 398 unreturned voting papers were automatically counted as supporting the agreement. At one stop work meeting Butson gave the podium over to THR managers before insisting that a 2.3 percent pay rise was “the best” offer possible and arguing against any strike action. The union and Transdev later agreed to 3 percent annual wage increases over a 3-year term between July 2019 and 2022.

The RMTU’s suppression of wages and conditions has paid handsome dividends for the rail companies. KiwiRail has reported an operating surplus of \$NZ63.2

million for the 2021 financial year, up \$23 million from 2020. THR meanwhile slashed thousands of dollars through staff cuts and stagnant wages, with a promise to the Greater Wellington Regional Council to save \$100 million over its 15-year contract, which began in 2016.

A Wellington rail worker and WSWs supporter said the dispute “stresses the need for unifying all transport workers.” Commuter rail workers will be up in July 2022 for the next wage round. Emphasising the global assault on conditions he said, “We only have to look at the ScotRail dispute in the UK where the workers were offered 2 percent, when inflation there is also 4.9 percent. The workers wanted to strike right in the midst of the bogus COP26 ‘climate conference’ of capitalist leaders sprouting empty words, but the Rail, Maritime and Transport union shut that down quickly.”

In a 2017 article reviewing the craven record of the RMTU, the WSWs exposed how the rail unions had collaborated with successive Labour and National Party governments, councils and private owners while suppressing workers’ resistance to corporatisation, privatization, low wages and mass job cuts.

In an irate letter to the WSWs, Butson declared: “Unless we’re living through a revolution, industrial action is merely preparation for building organisations and getting back around the table,” i.e., to negotiate with management to organise and impose yet another sell-out.

As rail workers enter into struggles to defend jobs and living conditions, they will inevitably come into conflict not only with KiwiRail, Transdev, the government and councils, but with the RMTU itself. To fight for their basic rights, workers must organise independently of the unions and break politically from all the established parties.



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