

# Staffing crisis and declining wages after sellout of New Zealand rail workers

Tom Peters  
19 March 2023

Working conditions on Wellington's commuter railways are continuing to deteriorate, while wages are falling against the soaring cost of living.

As is the case internationally, transport workers in New Zealand are facing some of the sharpest attacks, as the ruling class seeks to make the working class pay for the global economic crisis triggered by the pandemic and made worse by the escalating US-NATO war against Russia over Ukraine.

In late January, the Rail and Maritime Transport Union (RMTU) pushed through a sellout agreement with Transdev and Hyundai Rotem—the private companies that run the capital's rail network—covering more than 400 workers.

Transdev is a multinational French-based company, operating public transport services in 19 countries including France, Germany, the US, Canada and Australia. Transdev and Hyundai Rotem are contracted by the Labour-led Greater Wellington Regional Council (GWRC), which outsources the rail services to for-profit companies that drive down costs at the expense of workers.

The two-year deal contained wage increases of just 5.5 percent for most roles for the period from September 2022 to July 2023, followed by an increase of 5 percent in the second year. This is in reality a substantial pay cut. Inflation officially stands at 7.2 percent, and food prices are now 12 percent higher than a year ago.

A worker who recently spoke to the *World Socialist Web Site*, who we will call Sam, denounced the union for pushing the deal. He said workers were told: "It's fine, you've got to think about the way the world is at the moment, and you'll never get a better outcome." This echoed the company's claim that it could not afford a decent wage increase.

In addition to the below-inflation payment, he said workers were refused backpay from July 2022, when the previous employment agreement expired. Instead, backpay was only awarded for the period from September. In recent weeks, some workers have complained to management about payroll errors that have resulted in underpayment of their backpay.

Sam believed that there should have been industrial action to fight for an annual increase of "at least 8 percent." He said the lack of fightback was "a lost opportunity," and that workers should have stopped doing overtime and taken other actions to push for a better deal.

The RMTU refused to hold a mass meeting for workers to discuss the offer and did not give them the option of going on strike. Voting on the agreement was carried out by postal ballot, under conditions in which the union declared there was no alternative.

Under the union's anti-democratic voting system, anyone who does not return their ballot is counted as a vote in favour—including members who may have forgotten that a vote was taking place, due to the lack of discussion. In the event, 29 workers voted against the deal and the other 382, who did not return ballots, were counted as "yes" votes.

Sam described the union as "useless, they're third class and workers are paying for nothing." He said there was a notable lack of communication on important issues: "One of the things we pay the union for is to know things about pay, to know about work situations, and that's unfortunately not happening."

The RMTU has a track record of brushing off health and safety and other concerns, and siding with management.

A case in point is the spread of COVID-19, which the Labour-led government has sought to normalise over

the past year, with the assistance of the unions. The criminal decision to abandon the previous elimination policy and to allow COVID to spread, has led to about 3,000 deaths and tens of thousands of severe illnesses.

On public transport, all social distancing and masking policies have been abandoned, leading to constant illnesses and understaffing.

Sam explained: “There are people at work who have had COVID twice or sometimes three times.” He believed that many were “not going to register that they’ve got COVID again, they’re just going to come into work, because they’ve lost all their sick pay, they’ve lost their annual leave. They’re scared that they won’t be paid. So they come in with COVID in their system, don’t take the seven days off, and they’re passing it around. That’s why it’s gone absolutely crazy over the last month.”

The lack of staff has led to Transdev management imposing severe restrictions on when workers are allowed to apply for leave. In addition, workers have been asked to work longer hours, which increases fatigue and the risk of accidents.

Train services are being cancelled nearly every day and trains are also frequently downsized due to the shortage of train managers, who run services. Sam explained that this caused significant stress for both staff and passengers: “People are being asked to get out of a fully-laden train sitting at Wellington station, to get out of their seats and go into the front cars because there’s not enough staff to run the train. This has been happening for months now.

“People are angry because they get in there, they sit down, they take their coats off, they’ve got their laptops out, and then all of a sudden about five minutes before the train has to take off, somebody has to come in and say: sorry everybody, you’ve got to get up now and shift into the front four cars.”

Sam said sometimes passengers unfairly blamed the train staff, who were “caught in the middle” of a situation caused by “the incompetence of management.”

The worker expressed support for the call outlined by the Socialist Equality Group in its January statement on the rail dispute, for workers to establish a rank-and-file committee, independent of the union and the Labour Party. This would provide a mechanism for workers to discuss and organise opposition to all the attacks on

wages and conditions carried out by Transdev, Hyundai Rotem and the GWRC in collaboration with the union bureaucracy.

The SEG also calls on workers to adopt a socialist perspective, to unify workers across all industries in New Zealand and internationally. This is the only way to fight transnational corporations such as Transdev.

Public transport and other vital services must be taken out of the hands of private companies and placed under the ownership and democratic control of the working class. Tens of billions of dollars must be redistributed from the profits of the corporations and banks to upgrade and expand the rail network and provide high-paying jobs with good conditions for all.

We urge other rail workers in Wellington, as well as public transport workers in Auckland and other parts of the country, to contact us to discuss this perspective, and how to form rank-and-file committees in your workplace.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](https://www.wsws.org/contact)**