

**News media statement
Postal Workers Union of Aotearoa
17 March 2024**

**Postal Workers Union counter-proposal response
to NZ Post proposing to lay off 700 posties
and expanding its 'third class' workforce**

The Postal Workers Union has a counter-proposal in response to NZ Post's proposal to lay off all 700 posties over the next five years. NZ Post wants to have the mail delivered instead by an expanded network of its third class workforce – contract couriers driving vans.

Contract couriers have neither the rights of employees like the minimum wage and annual leave, nor the rights of genuine independent contractors who can choose their working hours.

Following the consultation process required of NZ Post by its Collective Agreement the Union has provided a counter-proposal to maintain a national network of local posties. The Union's counter-proposal has been endorsed unanimously by Union members at meetings throughout the country held over the past six weeks.

The Postal Workers Union believes that posties on electric cargo bikes and motorcycles are a more efficient, environmentally friendly, socially desirable, safer and good employer alternative to mail delivery from vans. The Union's counter-proposal also enables NZ Post to lower its costs and become more profitable.

The Union believes the NZ Post proposal to lay off all its posties and increase its contractor workforce may breach the second principle of the State Owned Enterprises Act – *"a good employer is an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment ..."*

However clause 4.2(b) of NZ Post's Owner Driver Agreement contract sets out specifically the employee rights to which the couriers are not entitled - *"any holidays or payments or benefits relating to matters such as sickness, accident, superannuation, holidays, redundancy, bereavement or the working of overtime ..."*

The Postal Workers Union believes that the non-negotiable 'take it or leave it' Owner Driver Agreement contracts that NZ Post requires its couriers to sign may be unlawful.

The Employment Court has already observed that some employers label individuals as contractors to avoid any responsibility for employee rights such as holiday pay and minimum wages.

The Union has a case beginning in the Employment Court on 15 July seeking a declaration from the Court that NZ Post's contract couriers who are Union members are in fact employees by "the real nature of the relationship" with NZ Post - Section 6(2) of the Employment Relations Act.

The Union has written to the Minister for State Owned Enterprises Hon Paul Goldsmith about how NZ Post's proposed restructure may not meet the principal objective under the State Owned Enterprises Act to be "a successful business".

Under the Act, for an SOE to be a successful business it is not only required to be *"as profitable and efficient as comparable businesses not owned by the Crown"* but must also exhibit *"a sense of social responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so"*, and be *"a good employer"*.

The Postal Workers Union says NZ Post can hardly be socially responsible if it replaces small electric cargo bikes with large diesel vans to deliver letters, and it can hardly be a good employer if it wants its mail delivery undertaken by third class workers - employees with no employee rights.