Rail Operations Enterprise Agreement 2019 Enterprise Bargaining Update

Dear Team,

On Tuesday, 3 September 2019, we presented the RTBU with a fair and competitive offer for the proposed Rail Operations Enterprise Agreement 2019 (**Proposed Agreement**).

Some of you have asked how this wage offer compares within the current market, so we have included some comparison points below.

How does Metro's salary offer compare with the market?

Metro's salary offer for the Proposed Agreement	14% over four years (or 3.5% per year)
Consumer Price Index (CPI)	The CPI is currently 1.2%.
	The CPI is a common way for organisations to consider the cost of living increases when determining appropriate and fair wage increases for employees. Metro's proposed wage increase not only keeps pace but exceeds current and forecast percentage increases for CPI.
Average annual wage increases in enterprise agreements across the transport industry	According to the Australian Bureau of Statistics (March Quarter 2019), the average annual wage increase in enterprise agreements across the transport industry is 2.8%. Metro's proposed salary offer of 3.5% per year exceeds this amount.
	 Some recent examples include: Sydney Trains Enterprise Agreement 2018 – 3% per year Tasmanian Railway Pty Limited General Enterprise Agreement 2018 – 2.5% per year Queensland Rail Traincrew Enteprise Agreement 2017 – 3% per year
Average annual wage increases in enterprise agreements across the private sector	According to the Attorney-General's Department (March Quarter 2019), the average annual wage increase in Enterprise Agreements across the private sector was 2.9%. Metro's proposed salary offer of 3.5% per year exceeds this amount.
Anticipated average annual wage increases for Victorian public sector	The Treasurer has indicated publicly that the average wage increase for the public sector is likely to be around 2% per year.

The salary increase outlined in the Proposed Agreement is superior to other wage offers currently in the market. It is a fair and competitive offer and reflects the efficiencies we need to run our railway and fund the pay rise.

Metro is committed to reaching an agreement as soon as possible so we can provide certainty for you about your terms and conditions of employment over the next four years.

We need a modern, fair and easy to understand agreement that enables us to be more flexible in the way we work so we can respond effectively to network growth and our passengers' needs.

If you have any questions, please speak with your Team Leader or Manager or email <u>enterpriseagreement@metrotrains.com.au</u>.

We'll continue to keep you updated.

Kind regards,

Catherine Baxter, Chief Operating Officer On behalf of the Rail Operations Enterprise Bargaining Team

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