



Dear Team,

As Raymond communicated last week, we have provided the RTBU with a one week extension (until 4.00pm Friday, 13 September) to respond to our proposed offer for the next Rail Operations Enterprise Agreement 2019.

This extension was intended to allow the RTBU more time for consultation and discussion with you around our proposed offer for our next Rail Operations Enterprise Agreement 2019. This is so that you can understand Metro's offer in detail and make informed judgements around the changes and improved entitlements being proposed, including flexible working conditions, clarity around leave entitlements, increased trauma leave and increased parental leave from 12 to 14 weeks.

With this in mind, it is disappointing that the RTBU has been communicating on social media of its intention to reject the offer, when we believe it is important that you have had the opportunity to hear about the offer from your union delegate.

We are serious about confirming our next Rail Operations Enterprise Agreement as quickly as possible. So it's time for some plain speaking both on the challenges we face and the approach that the RTBU has chosen to pursue.

- **Metro's wage increase of 14% over four years (3.5% per year) exceeds any other recent pay deals by other rail operators in Australia.** This pay offer is in recognition of the changes we need to ensure Melbourne has a modern railway, while balancing what is affordable for Metro, to ensure we are a viable business in the future. The RTBU's wage position of 24% over four years is both unrealistic and out-of-step with industry, being enough to drive Metro into financial deficit and therefore, threaten job security.
- **I know that some of the changes proposed to rostering and service running will mean a change for our people.** We have considered this, in offering a fair and reasonable wage increase. These changes are needed however, in order to deliver our commitments around implementing new timetables and operationalising new assets, such as the Metro Tunnel. Since 2013/14, passenger trips have grown from 215 million per annum to 229.6 million per annum – an increase of 14.6 million. We must make these operational changes, and adapt and change our railway to ensure we can provide the additional services that our growing city needs and passengers expect.
- **Enterprise bargaining takes time – much longer than both sides would like – due to the complexity of the issues.** That said, we have been bargaining since early February and have held more than 40 meetings with the RTBU, including 11 with senior RTBU leaders over recent weeks. Given the time spent, it is disappointing that an in-principle Agreement has not been reached. If the RTBU rejects the proposed offer this week, then salary increases and new entitlements cannot take effect and we may face protracted bargaining over many months ahead, without an outcome and certainty for our people.

If you haven't yet heard from your union representatives about this offer, I encourage you to actively contact them directly to find out more.

The quicker we can reach an agreement with the RTBU, the sooner we can provide you with certainty and lock in your wage increases for the next four years.

I thank you for your ongoing support and I will continue to keep you updated.

Kind regards,

Catherine

Chief Operating Officer

