



Dear Team,

Since bargaining commenced for the new 2019 Rail Operations Enterprise Agreement (Proposed Agreement) in February 2019, Metro has communicated openly and transparently with our people, with timely progress updates on what has been discussed, agreed and what it means to you.

It is therefore disappointing that in recent days, the RTBU has made some public statements around the negotiations that are untrue.

We have communicated honestly with you through the process and therefore I feel it is important to set the record straight on some important areas.

Getting the facts straight

RTBU Myth	The Facts
<div><div></div><div>Metro can afford a pay increase of 6% per annum (24% over four years)</div></div>	<div><div>This is false.</div><div><div><div></div><div>The long-term viability of Metro is in everyone’s interest.</div></div><div><div></div><div>Metro has a specific contract with the Victorian State Government to operate and maintain the railway network. Under the terms of the contract, Metro returns a modest profit to meet its shareholders’ expectations of less than <b>3% per annum</b> with <b>97% of revenue spent operating, maintaining and enhancing the network.</b></div></div><div><div></div><div>To meet the RTBU’s wage position of 24% over four years (6% per year), given our annual 3% profit margin, would mean cost cuts and potentially, threaten job security.</div></div><div><div></div><div>Metro made a wage offer of 14% over four years (3.5% per year), which was not accepted by the RTBU.</div></div><div><div></div><div>The wage offer of 3.5% per year was fair and reasonable. It exceeded any other recent pay deals by other rail operators in Australia, for example:<div><div></div>Sydney Trains Enterprise Agreement 2018 (3% per year);<div><div></div>Tasmanian Railway General Enterprise Agreement 2018 (2.5% per year); and<div><div></div>Queensland Rail Traincrew Enterprise Agreement 2017 (3% per year).</div></div></div></div><div><div></div><div>Metro’s offer also exceeded the average annual wage increase in enterprise agreements across the transport industry, which sits at 2.8% (<i>Attorney-General’s Department, March Quarter 2019</i>).</div></div></div></div></div>
<div><div></div><div>Metro are playing legal tricks to suppress workers’ rights to take industrial action.</div></div>	<div><div>This is false.</div><div><div><div></div><div>On 9 August 2019, the Federal Court of Australia made orders for the RTBU to take steps to notify the public and employees that the ‘open barrier bans’ would not take place on 12 and 19 August 2019.</div></div><div><div></div><div>These court orders were important to ensure our passengers did not inadvertently break the law by failing to hold a valid ticket for travel.</div></div><div><div></div><div>The RTBU did not comply with these court orders. This is significant as, in accordance with the law, it is a requirement that for any bargaining representative to organise protected industrial action, they must not have contravened any orders that apply to them in relation to industrial action.</div></div><div><div></div><div>Metro is not responsible for the RTBU failing to comply with the court orders.</div></div><div><div></div><div>The RTBU has now made an application to the Federal Court that seeks to revoke some of the orders made on 9 August 2019 which the RTBU contravened. This hearing will commence on 14 October 2019.</div></div></div></div>

	<ul style="list-style-type: none"><li>✓ Rather than pursue drawn-out legal proceedings which are expensive for both organisations, Metro would prefer to focus on meeting with the RTBU at the bargaining table and get a deal done.</li></ul>
<b>✗ The [RTBU’s] alleged breaches of the 9 August court order are inconsequential.</b>	<p><b>This is false.</b></p> <ul style="list-style-type: none"><li>✓ Any breach of Federal Court orders is serious. The relevant orders were not ‘inconsequential’, particularly in circumstances where the court orders were important to ensure our passengers did not inadvertently break the law by failing to hold a valid ticket for travel.</li><li>✓ The Federal Court made a preliminary finding that there was a strong case (on face value) that the RTBU’s statements about industrial action falsely represented (or was likely to mislead) passengers into believing they would have free travel on our network.</li><li>✓ Given this wasn’t correct, the Federal Court then made orders that required the RTBU to take certain steps to reverse the effect of their comments. The RTBU did not comply with these orders.</li></ul>
<b>✗ Metro has offered a 2% one-off payment for the Infrastructure Agreement but not the Rail Operations Agreement</b>	<p><b>This is true.</b></p> <ul style="list-style-type: none"><li>✓ An additional 2% one-off payment will be provided to eligible Infrastructure employees upon approval of the proposed Infrastructure Agreement by the Fair Work Commission.</li><li>✓ This additional payment is <u>unique</u> to the proposed Infrastructure Agreement which allows for the necessary changes to achieve compliance with the <i>Code for the Tendering and Performance of Building Work 2016 (Cth)</i> (<b>Code</b>). This enables Metro to bid for new Federally-funded rail projects such as the Melbourne Airport Rail Link.</li><li>✓ The Code is not relevant to the proposed Rail Operations Enterprise Agreement.</li><li>✓ Any wage increase in the proposed Rail Operations Enterprise Agreement needs to be funded by further efficiencies as identified through bargaining with the RTBU.</li></ul>
<b>✗ Metro Trains management put forward an “offer” that contained a series of omissions.</b>	<p><b>This is true.</b></p> <ul style="list-style-type: none"><li>✓ There were some unintentional administrative errors identified in the Proposed Agreement submitted to the RTBU for consideration on 3 September 2019.</li><li>✓ We informed the RTBU of these administrative errors as soon as we became aware of them.</li><li>✓ We then reissued an amended version of the Proposed Agreement. We also openly and honestly communicated with our employees. Metro provided a further week for the RTBU to consider the offer.</li><li>✓ <b>The administrative errors were minor and did not materially change the offer communicated to our employees when the offer was made.</b></li><li>✓ The RTBU did not accept the offer.</li></ul>
<b>✗ Metro want to strip away working conditions including rostering and shift work provisions, less security at work and are refusing to take action on sexual harassment and gendered violence in the male dominated transport industry.</b>	<p><b>This is false. Let’s address these one at a time...</b></p> <ul style="list-style-type: none"><li>✓ <b>Rostering and shift work provisions:</b><ul style="list-style-type: none"><li>○ Metro is proposing increased options and greater flexibility around rostering and shift allocations to ensure our operations can deliver the requirements around new assets, infrastructure, timetables and passenger growth in the future.</li><li>○ Furthermore, any proposed changes to rosters and/or hours of work during the life of the Proposed Agreement are subject to a consultation clause so your involvement and feedback will be ensured.</li></ul></li><li>✓ <b>Security at work:</b><ul style="list-style-type: none"><li>○ Metro is unclear as to how the Proposed Agreement jeopardises security at work.</li></ul></li></ul>

	<ul style="list-style-type: none"><li>○ Our network is growing, hence our workforce is growing too.</li><li>○ Metro is offering more flexible work options to suit the needs of a diverse workforce, which includes part-time work for those employees that are seeking these arrangements.</li></ul> <p>✓ <b>Sexual harassment and gendered violence:</b></p> <ul style="list-style-type: none"><li>○ Metro takes these issues very seriously.</li><li>○ We are committed to taking a consistent and inclusive company-wide approach to supporting our employees, rather than provisions within individual enterprise agreements that only cover parts of our workforce.</li><li>○ Metro currently has dedicated support in our People team, which all employees can access and seek support.</li></ul>
--	--

**Facts around back-pay in 2019**

Some of you have asked about back-pay in relation to the Proposed Agreement.

Metro commenced bargaining in February 2019 and, from the onset, made it clear to the RTBU that Metro would not be offering back-pay. It was always Metro’s intention to reach in-principle agreement with the RTBU in relation to the Proposed Agreement prior to the nominal expiration date of 30 June 2019.

Metro is committed to bargaining in good faith with the RTBU to get a deal done as soon as possible so that any pay increases can take effect.

**To make this happen, you can help.** You can engage your delegates and encourage the RTBU to actively participate in bargaining for an outcome for you.

You can take an active role right now in securing certainty for you and your colleagues.

We’ll continue to keep you updated around any new developments and I thank for your ongoing support.

Kind Regards,

Catherine Baxter  
**Chief Operating Officer**

