

Rail Operations Enterprise Agreement 2019

Enterprise Bargaining Update

Hi Team

Today we returned to the Fair Work Commission (**FWC**) with the Locomotive Division of the RTBU to continue negotiations for our next Rail Operations Enterprise Agreement (**EA**).

What's happened since Metro made its offer to the RTBU?

Following the cancellation of the proposed protected industrial action in August 2019, we have been meeting with senior representatives from the RTBU in an effort to reach an agreement as quickly as possible.

On Tuesday, 3 September 2019, we presented our offer for our next Rail Operations Enterprise Agreement to the RTBU. This offer was rejected by the RTBU on Friday, 13 September 2019.

On Wednesday, 25 September 2019, we returned to the FWC with the Locomotive Division of the RTBU to progress negotiations.

As you would be aware from previous bargaining updates, we have already settled all high priority claims for the Rail Division. However, there are a number of high priority Locomotive Division claims that are outstanding, as well as some joint claims.

We are working with a Fair Work Commissioner and the RTBU's Locomotive Division representatives to address each of these claims.

In an effort to reach a timely outcome for you, we have written and requested regular negotiation meetings of up to four times a week. Unfortunately, the RTBU has advised that they are unable to increase the current schedule of meetings from one meeting a week.

What was discussed today?

High priority claims for the RTBU and Metro were discussed at length, including the Locomotive Division's claims for Discretionary Days Off, driver training, performance of train movements, master rotation, dispute resolution and 'Commitments by the Parties' clause.

Metro's claims were also discussed, being group rotation, part-time drivers, variety of running and development of shifts, monthly roster drivers, operating groups, depots, master roster change, driver development and Flinders Street decentralisation.

Under the Fair Work Commissioner's guidance, future negotiation meetings will be structured around the high priority claims for both parties to reach an outcome as soon as possible.

Locomotive Division's high priority claims

We are aware that the RTBU has made a number of comments to the FWC that our recent intensive bargaining meetings (held from 13 August until 2 September 2019) focused only on Metro's high priority claims. **This is incorrect.**

Metro and the RTBU have had multiple discussions regarding the Locomotive Division's high priority claims and we have given genuine consideration to the RTBU's claims. This is demonstrated by the fact that all of the high priority claims for the RTBU's Rail Division were settled during the course of the intensive bargaining meetings.

What's next?

Our next negotiation meeting will be held on Tuesday, 8 October 2019, and we will continue to work through the high priority claims.

Yesterday, some facts were communicated by Metro around some of the RTBU's recent external statements around negotiations. We think it is important that our people know the facts. Therefore we have attached some information that address these issues.

Thank you for your ongoing support and we will continue to keep you updated.

Regards,

Catherine Baxter, Chief Operating Officer
On behalf of Metro's Rail Operations Enterprise Bargaining Team

Getting the facts straight

Rail Operations Enterprise Agreement 2019

Myth	Fact check
<p>Metro can afford a pay increase of 6% per annum (24% over four years).</p>	<p>This is false.</p> <ul style="list-style-type: none"> ✓ The long-term viability of Metro is in everyone's interest. ✓ 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 3% per annum with 97% of revenue spent operating, maintaining and enhancing the network. ✓ 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. ✓ Metro made a wage offer of 14% over four years (3.5% per year), which was not accepted by the RTBU. ✓ 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: <ul style="list-style-type: none"> • Sydney Trains Enterprise Agreement 2018 (3% per year); • Tasmanian Railway General Enterprise Agreement 2018 (2.5% per year); and • Queensland Rail Traincrew Enterprise Agreement 2017 (3% per year). ✓ Metro's offer also exceeded the average annual wage increase in enterprise agreements across the transport industry, which sits at 2.8% (Attorney-General's Department, March Quarter 2019).
<p>Metro are playing legal tricks to suppress workers' rights to take industrial action.</p>	<p>This is false.</p> <ul style="list-style-type: none"> ✓ 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. ✓ These court orders were important to ensure our passengers did not inadvertently break the law by failing to hold a valid ticket for travel. ✓ 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. ✓ Metro is not responsible for the RTBU failing to comply with the court orders. ✓ 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. ✓ 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.

Myth	Fact check
<p>The [RTBU's] alleged breaches of the 9 August court order are inconsequential.</p>	<p>This is false.</p> <ul style="list-style-type: none"> ✓ 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. ✓ 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. ✓ 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.
<p>Metro has offered a 2% one-off payment for the Infrastructure Agreement but not the Rail Operations Agreement.</p>	<p>This is true.</p> <ul style="list-style-type: none"> ✓ 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. ✓ This additional payment is unique to the proposed Infrastructure Agreement which allows for the necessary changes to achieve compliance with the Code for the Tendering and Performance of Building Work 2016 (Cth) (Code). This enables Metro to bid for new Federally-funded rail projects such as the Melbourne Airport Rail Link. ✓ The Code is not relevant to the proposed Rail Operations Enterprise Agreement. ✓ Any wage increase in the proposed Rail Operations Enterprise Agreement needs to be funded by further efficiencies as identified through bargaining with the RTBU.
<p>Metro Trains management put forward an "offer" that contained a series of omissions.</p>	<p>This is true.</p> <ul style="list-style-type: none"> ✓ There were some unintentional administrative errors identified in the Proposed Agreement submitted to the RTBU for consideration on 3 September 2019. ✓ We informed the RTBU of these administrative errors as soon as we became aware of them. ✓ 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. ✓ The administrative errors were minor and did not materially change the offer communicated to our employees when the offer was made. ✓ The RTBU did not accept the offer.
<p>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.</p>	<p>This is false. Let's address these one at a time...</p> <ul style="list-style-type: none"> ✓ Rostering and shift work provisions: <ul style="list-style-type: none"> • 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. • 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. ✓ Security at work: <ul style="list-style-type: none"> • Metro is unclear as to how the Proposed Agreement jeopardises security at work. • Our network is growing, hence our workforce is growing too. • 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. ✓ Sexual harassment and gendered violence: <ul style="list-style-type: none"> • Metro takes these issues very seriously. • 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. • Metro currently has dedicated support in our People team, which all employees can access and seek support.