

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Workplace Relations Act 1996

s.170LJ Agreement with organisations of employees (Division 2)

Freight Victoria Limited t/as Freight Australia

and

The Association of Professional Engineers, Scientists and Managers, Australia

and

Australian Rail, Tram and Bus Industry Union

and

**Australian Municipal, Administrative, Clerical and Services Union
(AG2004/2418)**

FREIGHT AUSTRALIA ENTERPRISE AGREEMENT (RAIL OPERATIONS) 2004

Public transport industry

COMMISSIONER TOLLEY

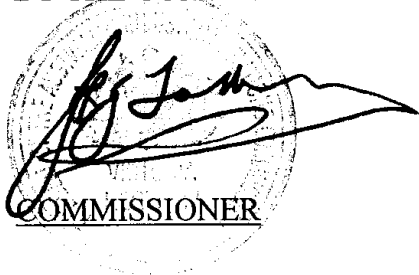
MELBOURNE, 21 APRIL 2004

CERTIFICATION OF AGREEMENT

In accordance with section 170LT of the *Workplace Relations Act 1996*, the Commission hereby certifies the attached written agreement.

This agreement shall come into force from 21 April 2004 and shall remain in force until 31 December 2006.

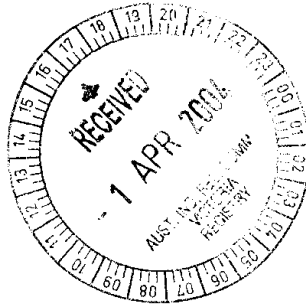
BY THE COMMISSION:



COMMISSIONER

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Freight Victoria Limited.

trading as

FREIGHT AUSTRALIA

Enterprise Agreement (RAIL OPERATIONS) 2004

FREIGHT AUSTRALIA ENTERPRISE AGREEMENT (RAIL OPERATIONS) 2004

PART A - AGREEMENT FORMALITIES

1. Title

This agreement shall be known as the Freight Australia Enterprise Agreement (RAIL OPERATIONS) 2004.

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3. Incidence and parties bound

This is an agreement between Freight Victoria Ltd. (ACN 075 295 644) trading as Freight Australia (**Freight Australia**) (**the Company**) and the Australian Rail, Tram and Bus Industry Union (**RTBU**); the Association of Professional Engineers, Scientists and Managers, Australia (**APESMA**); and the Australian Municipal, Administrative,

Clerical and Services Union (ASU), (the Union/s), in relation to employees of Freight Victoria Ltd. who are covered by one or other of the awards set out in clause 5 other than employees engaged in the Company's workshops covered by the Railways Miscellaneous Grades Award and Foreman and Supervisors covered by the Railways Salaried Employees Award.

To avoid doubt, Executive Officers appointed by the Company are not covered by this agreement.

4. Date and period of operation

This Agreement shall take effect from 1 January 2004 following certification of the Agreement by the Australian Industrial Relations Commission (AIRC) under the provisions of the Workplace Relations Act 1996, and shall remain in force until 31 December 2006.

5. Relationship to awards and agreements

5.1 Relationship to awards until replaced by a single Freight Australia Award

Until replaced by the single Freight Australia Award referred to in 5.2, save as where otherwise provided in this Agreement, this Agreement is to be read in conjunction with the following awards, which are presently binding on Freight Australia:

- (a) Public Transport Corporation Interim Award 1990 (AW792482)
- (b) Locomotive Drivers (Victoria) Award 2001 (AW811428)
- (c) Railways Traffic, Permanent Way and Signalling Wages Staff Award 2002 (AW 817741)
- (d) Railways Miscellaneous Grades Award 1960 (AW794728)
- (e) Railways Salaried Employees (Victoria) Award 2002 (AW815560)
- (f) Railways Professional Officers Award 2002 (AW817162)
- (g) Public Transport Corporation (Disruption to Work) Award 1990 (AW792471)

5.2 Relationship with other agreements

Exclusive of any reference to any awards, this Agreement shall also be read in conjunction with the following agreements:

- (a) Public Transport Corporation Enterprise Agreement, 1992 (P0252-1992)
- (b) Victorian Public Transport Corporation Enterprise Agreement, 1994 (V0149-1994)
- (c) Public Transport Corporation Enterprise Agreement, 1996 (P0657-1996)
- (d) VLine Freight Corporation Enterprise Agreement 1997 (V0309-1997)

- (e) VLine Freight Enterprise Agreement 1997, as varied December 1998 (V0309-1997)

5.3 Parties to form a working party towards a single Freight Australia Award

A working party is to be established to develop a single Freight Australia Award to replace the Awards set out in 5.1 and the Agreements set out in 5.2 above. An agreed time frame and process is to be developed. Once such an award is made, save as where otherwise stated in the single Freight Australia Award, the awards and the agreements listed above will no longer apply.

5.4 This Agreement to prevail to the extent of any inconsistency

In the event of any inconsistency between the awards and/or agreements listed above (including any new award) and this Agreement, the provision of this Agreement shall apply to the extent of the inconsistency.

6. Aim of agreement

The aim of this Agreement is to promote real gains in productivity, efficiency, flexibility and co-operation in the workplace.

The parties recognise that workplace reform is necessary to make the company profitable and therefore provide for the long-term security of its workforce.

The parties also recognise the necessity of adopting a consultative and participative approach to workplace reform to achieve a genuine change in the industrial culture at all levels within the company.

The parties' objective is to achieve and maintain the following:

- (a) a focus on customer satisfaction. Working with customers to identify their needs and to develop plans to meet those needs.
- (b) a commercial perspective, eliminating unproductive activities and striving for a profitable outcome for all parts of the company business.
- (c) an environment and the means to ensure continuous improvement in all areas of the business.
- (d) safe and efficient operations.
- (e) open communication with employees and a co-operative management style encouraging teamwork.

7. Future negotiations

The parties agree to commence negotiations on a new agreement no later than 1 September 2006.

8. No extra claims

It is a term of this Agreement that the parties will not pursue any extra claims about matters pertaining to the relationship between Freight Australia and the employees covered by the Agreement, for the duration of this Agreement.

PART B -- CLASSIFICATIONS AND FLEXIBILITY

9. Classification structure

9.1 Appendix B sets out classification structure and descriptions

Appendix B sets out the classification structures and classification descriptions applying within Freight Australia.

9.2 Classifications designed to enhance skills and efficient and high quality operations

The agreed classification structures in Appendix B are designed to encourage employees to enhance their level of skills and to assist the Company to operate efficiently and with a high level of quality. Employees may be directed to carry out such duties and use such equipment as are within the employee's qualification and classification stream, consistent with the Company's responsibility to provide a healthy and safe working environment. Subject to the necessary supervision, employees may be required to assist other employees, work in groups or work alone. All classification streams are to be clearly defined.

9.3 Review of classification structure

The classification structure will be reviewed during the life of the EBA. The classification structure review principles are set out in Appendix G.

10. Training

Employees shall be provided with a structured program of training, such as the agreed 104 week Victorian Train Driver Training scheme for Locomotive-grade trainees, which will enable them to perform the range of duties described in the employees' classification level. Employees shall not unreasonably refuse to undertake training within a classification level.

11. Utilisation of skills

Employees shall carry out such duties as directed by the employer from time to time subject to the limits of their skills, qualification and training relative to their grade/career structure. Disputes about this clause shall be dealt with according to the Clause 23 Disputes Settling Procedure.

12. Career path

All employees will be encouraged and assisted to progress to the highest level personally attainable consistent with the needs of the workplace. When a new employee enters at a high level because of particular skills requirements they must familiarise

themselves with the skills required at a lower level within 12 months, so ensuring maximum flexibility.

13. Multi-skilling

Employees will operate flexibly between work-stations and work areas and carry out such duties as are within the limits of each employee's skill, classification structure, training and qualification. Subject to appropriate level of qualification, safe working, industrial agreements with the employer, legal and health and safety requirements, employees are to perform all jobs within the workplace, consistent with their classification stream.

PART C -- PAY

14. Wage Increases

14.1 The following wage increases will be applied:

- (a) an initial increase of 2 percent of salaries and wages and wage related allowances shall be paid to all employees covered by this Agreement from the first complete pay period commencing on or after 1 January 2004;
- (b) a second increase of 2% will apply from the first complete pay period commencing on or after 1 July 2004;
- (c) a third increase of 2% will apply from the first complete pay period commencing on or after 1 January 2005; and
- (d) a fourth increase of 3% will apply from the first complete pay period commencing on or after 1 March 2005; and
- (e) a fifth increase of 2% will apply from the first complete pay period commencing on or after 1 July 2005; and
- (f) a sixth increase of 2% will apply from the first complete pay period commencing on or after 1 January 2006.

14.2 Special Payment

The following special payment will be applied:

- (a) A lump sum payment to be made in 2 instalments based on 2% of Average Weekly Earnings for each employee for the period 1 August 2003 to 31 December 2003.
- (b) The first instalment to be paid on 1 April 2004 (being half the amount set out in (a) above).
- (c) The second instalment to be paid on 1 October 2004 (being the remaining half of the amount set out in (a) above).

15. Wages rates

All pay rates are total amounts excluding allowances listed at clause 16. These rates will be increased in accordance with the wage increases outlined in clause 14 above. All rates of pay as at January 1, 2004 and incorporating the initial increase set out in 14.1 above, are specified in Appendix B.

16. Allowances

In addition to the rates referred to in Clause 14(c) above, the following shall be paid to employees who are qualified and authorised by management to fulfil such designated roles. These allowances will be adjusted in accordance with the method set out below.

Train Crew

| Allowance | Rate \$ (as at 1 Jan, 2004) | Adjustment Method |
|--|--------------------------------|---|
| Road Transferable Locomotive Allowance | 1.42 per hour | EA Wage increases based on movement in Driver rate |
| Driver Only Allowance | 2.42 per hour | EA Wage increases based on movement in Driver rate |
| Rest Expense Meal Allowance | 16.20 per unit | CPI Fast Food Index movement % for the previous 12 months (September Quarter) adjusted the first complete pay period commencing on or after January 1 each year (rounded up to nearest 5 cents). |
| Meal Allowance (needs breaks) | 6.20 per unit | CPI Fast Food Index movement % for the previous 12 months (September Quarter) adjusted the first complete pay period commencing on or after January 1 each year (rounded to nearest up 5 cents). |
| T & I Expenses | As per roster code | CPI Domestic holiday Travel & Accommodation index movement % for accommodation and CPI Fast Food index for meals for the previous 12 months (September Quarter) adjusted the first complete pay period commencing on or after January 1 each year |

| | | |
|------------|---------------|--|
| | | (rounded up to nearest 5 cents). |
| Fuel Point | 2.50 per hour | EA Wage increases based on movement in Driver rate |

Operations/Salaried Officers/Other

| Allowance | Rate \$ as at Jan 1, 2004 | Adjustment Method |
|---------------------------------|--|--|
| Shift Allowance early/afternoon | 1.81 per hour | EA Wage increases |
| Shift Allowance night | 2.11 per hour | EA Wage Increases |
| First Aid | 0.22 per hour | EA Increases |
| T & I Expenses | T & I Bed – 63.85 T & I Breakfast – 14.05 T & I Lunch – 14.05 T & I Tea – 20.40 Daily rate of T & I – 112.35 T & I Rest Meals – 16.20 | CPI Domestic holiday Travel & Accommodation index movement % for accommodation and CPI Fast Food index for meals for the previous 12 months(September Quarter) adjusted the first complete pay period commencing on or after January 1 each year (rounded up to nearest 5 cents) |
| Meal Allowance -Overtime | 6.20 per unit | CPI Fast Food Index movement % for the previous 12 months(September Quarter) adjusted the first complete pay period commencing on or after January 1 each year (rounded up to nearest 5 cents). |
| Grain Loop | \$31.20 - over 2,249 tonnes \$26.00 - under 2,249 tonnes | |

PART D -- OTHER CONDITIONS

17. Contract of employment

Locomotive-grade employees will not be employed under temporary/fixed term employment, labour hire or casual employment arrangements, other than as contained in Appendix C of this Agreement.

17.1 Probationary employee

Each new employee (other than casuals) will be employed under the following terms and conditions:

- (a) From commencement, the new employee will be paid at the rate stipulated by this agreement for their classification for the three-month probationary period. Holiday, sick leave and all other entitlements etc will accrue from the initial start date.
- (b) During this time, management will review the employee's performance against a performance standard agreed with the employer, and have discussions regarding progress.
- (c) In the event that during the three-month probationary period the new employee does not meet the requirements of the position, the employee may be terminated.
- (d) If the employee is not terminated pursuant to this clause within the 3 month probationary period, at the expiry of that period the employee will be deemed to have completed the probationary period and be automatically classified as a weekly employee.
- (e) An appropriate supervised training period is to apply.

17.2 Part-time employment

Part-time employment for Locomotive-grades will be in accordance with the provisions outlined in the Freight Australia Enterprise Agreement 2004 Aggregate Wage Rostering Code at Part F, Appendix C.

A part-time employee is a permanent employee engaged to work a regular number of hours in each week which total not less than 180 hours in each twelve (12) week period.

Except where otherwise provided, part-time employees shall be paid at an hourly rate of one thirty-eighth of the weekly rate prescribed by this Agreement for the appropriate classification.

A part-time employee shall have leave entitlements identical to full-time employees albeit on a pro-rata proportionate basis.

Part-time employees will not be used to displace existing full-time employees but used as supplementary staff to cover peak demand period, or for special programs, or where a particular skill is not available.

17.3 Temporary/fixed term employment

A temporary/fixed term employee may be engaged for a specified period of time and may work either full or part-time during this period. Temporary employees will have their period of employment specified upon commencing employment and will not be eligible for any redundancy payments at the conclusion of the agreed employment period.

Wherever practical a temporary/fixed term employee will be employed for an initial period no longer than three (3) months.

17.4 Labour Hire

Where the engagement of supplementary labour is made via an employment agency, Freight Australia will use companies from an agreed list of agencies.

17.5 Casual employment

The Company may employ persons on a casual basis for the purpose of meeting particular or short-term needs. A casual employee shall be engaged by the hour and paid the prescribed base hourly rate for the relevant classification plus a loading of 20%. This loading is in lieu of weekend or shiftwork loadings, all paid leave and public holidays and to compensate for the nature of casual employment.

Casual employees shall be provided with a minimum period of three hours employment on each engagement and shall be paid overtime for all hours worked in excess of ordinary hours on any day.

Wherever practical a casual will be employed for an initial period no longer than three (3) months or as otherwise agreed.

The engagement of supplementary labour is to be used to support the existing full-time workforce in overcoming excessive workloads or skill shortages and not used to reduce the full-time workforce.

No permanent employee of the same occupation who is available, and prepared to undertake the duties to be performed by the supplementary labour, will be declared surplus while ever such supplementary labour is employed.

17.6 Rostering and shift Arrangements (Non Train Crew)

Rosters and shift arrangements will be determined by the Company to meet the needs of the business having regard to notice and other conditions set out in Awards or in other terms of this Agreement.

The Company will consult with employees affected and their representatives on the impact of the changes and will have regard to any concerns or issues raised in finalising and implementing any new roster or shift arrangements.

A protocol outlining a consultation process to be followed by the Company will be developed during the life of this Agreement. This provision will not be implemented until an agreed protocol is finalised.

18. Termination Of Employment

18.1 Notice of termination by employer

In order to terminate the employment of a full-time or regular part-time employee Freight Australia shall give to the employee the period of notice specified in the table below (this requirement is varied by clause 19.2 in the case of termination by reason of redundancy):

| Period of continuous service | Period of notice |
|------------------------------|------------------|
| 1 year or less | 1 week |

| | |
|--|---------|
| Over 1 year and up to the completion of 3 years | 2 weeks |
| Over 3 years and up to the completion of 5 years | 3 weeks |
| Over 5 years of completed service | 4 weeks |

In addition to this notice, employees over 45 years of age at the time of the giving of the notice with not less than two years continuous service, are entitled to an additional week's notice.

Payment in lieu of the notice will be made if the appropriate notice period is not required to be worked. Employment may be terminated by the employee working part of the required period of notice and by Freight Australia making payment for the remainder of the period of notice.

In calculating any payment in lieu of notice, the wages an employee would have received in respect of the ordinary time (at base rate for Train Crew) they would have worked during the period of notice had their employment not been terminated will be used.

The period of notice in this clause shall not apply in the case of dismissal for conduct that justifies summary dismissal.

Continuous service is defined in clause 19.9.

18.2 Notice of termination by an employee

The notice of termination required to be given by an employee is the number of weeks in the employee's pay cycle (e.g. paid fortnightly – 2 weeks).

If an employee fails to give notice, Freight Australia has the right to withhold monies due to the employee to a maximum amount equal to the ordinary time rate of pay for the period of notice.

Where the employer has given notice to an employee, the employee shall be allowed up to one day's time off without loss of pay for the purpose of seeking other employment. The time off shall be taken at times that are convenient to the employee after consultation with the employer.

19. Redundancy

19.1 Definitions

For the purposes of this clause, the following definitions apply:

- (a) **Redundancy** occurs when Freight Australia decides that it no longer wishes the job the employee has been doing to be done by anyone and this is not due to the ordinary and customary turnover of labour.
- (b) **Weeks' pay** means the ordinary time rate of pay for the employees concerned.
- (c) **Suitable Alternative Employment** means employment, with Freight Australia or any other employer, on the same, equivalent or better terms and conditions than the employee enjoyed with Freight Australia, with recognition of all:

- (i) unused accrued entitlements previously owed by Freight Australia;
 - (ii) prior service with Freight Australia; and
 - (iii) prior service with any predecessor of Freight Australia, if that prior service was recognised by Freight Australia for the calculation of entitlements.
- (d) **Transmission** includes transfer, conveyance, assignment or succession whether by agreement or by operation of law;
 - (e) **Transmitted** has a corresponding meaning; and
 - (f) **Transmittee** has the meaning provided in clause 19.6.

19.2 Notice of termination by reason of redundancy

- (a) Except as provided in paragraph (b), an employee whose employment is terminated by reason of redundancy must be given 4 weeks notice of the termination of his/her employment, or payment in lieu.
- (b) An employee who:
 - (i) is over 45 years of age at the time of the giving of the notice; and
 - (ii) with over 2 years of completed service; and
 - (iii) whose employment is terminated by reason of redundancy:

must be given 5 weeks notice of the termination of his/her employment, or payment in lieu.

19.3 Severance pay

- (a) Former Employees of the Public Transport Corporation of Victoria.

In addition to the period of notice (or payment in lieu) prescribed in clause 19.2, an employee:

- (i) who previously was employed by the Public Transport Corporation of Victoria or its predecessors and engaged by Freight Australia on the transfer of the business, and,
- (ii) whose employment is terminated by reason of redundancy,

must be paid, subject to the operation of clause 19.5, severance pay calculated on the following basis:

- (A) 2 weeks pay for each year of service from the date of commencement of employment until May 1, 1999, up to a maximum of 20 weeks, and
- (B) 3 weeks pay for each year of service from May 1, 1999, up to a maximum of 15 weeks.

(b) All Other Employees.

In addition to the period of notice (or payment in lieu) prescribed in clause 19.2, an employee who does not fall within clause 19.3(a) whose employment is terminated by reason of redundancy must be paid, subject to the operation of clause 19.5, the following amount of severance pay in respect of a continuous period of service:

| Period of continuous service | Severance pay |
|---|----------------------|
| Less than 1 year | nil |
| 1 year and up to the completion of 2 years | 3 Weeks' pay |
| 2 years and up to the completion of 3 years | 6 Weeks' pay |
| 3 years and up to the completion of 4 years | 9 Weeks' pay |
| 4 years and up to the completion of 5 years | 12 Weeks' pay |
| 5 years and over | 15 Weeks' pay |

(c) Payment of long service after 4 years' continuous service

In addition to the period of notice (or payment in lieu) prescribed in clause 19.2 and the severance pay prescribed in paragraph (a) or (b), an employee who:

- (i) has more than 4 years' continuous service with Freight Australia and its predecessors;
- (ii) whose employment is terminated by reason of redundancy; and
- (iii) who would, apart from the operation of this clause would not have sufficient length of service to have an entitlement to long service leave or payment in lieu:

must be paid an amount in lieu of long-service leave on a pro-rata basis.

(d) Severance payments not to exceed earnings if employee had proceeded to retirement

Provided that the severance payments shall not exceed the amount which the employee would have earned if employment with Freight Australia had proceeded to the employee's normal retirement date.

19.4 Employee leaving during notice period

An employee whose employment is terminated by reason of redundancy may terminate his/her employment during the period of notice and, if so, will be entitled to the same benefits and payments under this clause had he/she remained with Freight Australia until the expiry of such notice. However, in this circumstance the employee will not be entitled to payment in lieu of notice if Freight Australia requires the employee to work out the notice.

19.5 Suitable Alternative Employment

The onus lies with Freight Australia to find suitable alternative employment for an employee who is otherwise entitled to severance pay under this clause.

If an employee has been offered Suitable Alternative Employment, as defined by clause 19.1(c), that employee will have no entitlement to severance pay under clause 19.3 or any other industrial instrument.

If an employee claims that a position offered to him/her is not Suitable Alternative Employment as defined by clause 19.1(c), he/she may notify Freight Australia of a dispute under the Disputes Procedure.

19.6 Transmission of business - transfer of entitlements

If part of the business of Freight Australia is Transmitted from Freight Australia to another employer (in this clause called the **Transmittee**) and an employee who at the time of such Transmission was an employee of Freight Australia in that part of the business becomes an employee of the Transmittee:

- (a) the continuity of the employment of the employee shall be deemed not to have been broken by reason of such Transmission;
- (b) the period of employment which the employee has had with Freight Australia or any predecessor shall be deemed to be service of the employee with the Transmittee;
- (c) the Transmittee shall recognise all unused accrued entitlements held by the employee at the date of such Transmission; and
- (d) Freight Australia shall, upon the date of such Transmission, cease to be liable for the employee's entitlements which are accrued and unused at the date of the Transmission.

19.7 Time off during notice period

During the period of notice of termination given by Freight Australia, an employee shall be allowed up to one day's time off without loss of pay during each week of notice for the purpose of seeking other employment.

If the employee has been allowed paid leave for more than one day during the notice period for the purpose of seeking other employment, the employee shall, at the request of Freight Australia, be required to produce proof of attendance at an interview or he or she shall not receive payment for the time absent. For this purpose a statutory declaration will be sufficient.

19.8 Employees exempted

Clause 19 shall not apply in the case of dismissal for conduct that justifies summary dismissal.

19.9 Continuous Service

In this Agreement, unless otherwise stated, 'Continuous Service' shall mean service with Freight Australia, the Public Transport Corporation and other predecessors, including periods of authorised paid leave.

Service will not be continuous if it has been interrupted at any stage by an absence of more than 3 months without authorisation by the employer.

The following absences from work do not break continuity of service but do not count as time worked in calculating the length of continuous service:

- (a) parental leave; and
- (b) any leave without pay authorised by the employer.

20. Other employment and conflicts of interest

Employees shall not, during the term of this Agreement, set themselves up or engage in private business or undertake other employment in direct competition with the employer using knowledge or materials gained in their employment with the employer. However, employees may undertake other employment so long as such employment is in their own time and does not conflict with their employment with Freight Australia.

21. Travel Passes

Employees, who were formally employed with the Public Transport Corporation and who, prior to the making of this agreement, had a free travel pass entitlement, will be issued with a free travel authority for travel within the Melbourne Metropolitan transport system, and also with a free ticket for travel on V/Line Passenger services. New employees engaged between May 1999 and 6 of September 2000 will be entitled to the above provision. Employees engaged from 7 September 2000 will not attract a pass entitlement.

Interstate passes will be made available in accordance with the provisions outlined in PTC EBA 1997 to employees who were formerly employed with the Public Transport Corporation and who immediately prior to the making of this agreement had a free travel pass entitlement. New employees engaged between May 1999 and 6 of September 2000 will be entitled to the above provision. Employees engaged from 7 September 2000 will not attract a pass entitlement.

For the life of this Agreement an employee's service with Freight Australia, and/or its predecessors, will count as service for the purpose of determining entitlement for retirement passes.

The parties to the EBA agree to work together to identify ways to reduce the cost of provision of travel passes as provided by the Agreement. This will include the making of joint representations to suppliers and Government, as appropriate.

22. Confidentiality

All employees are required to keep information about the business of the employer confidential.

Disclosure may only be made with the express consent of Freight Australia.

23. Disputes Settling Procedure

The parties are committed to avoiding any action, which might disrupt the continuity of service or reduce the effectiveness of Freight Australia's business.

To assist the parties the following procedure is to be followed:

- (a) The parties will proceed to resolve by direct consultation and negotiation any grievance, dispute, claim or problem on any industrial matter with the exception of safety issues.
- (b) Without limiting paragraph (a), where a provision of this Agreement requires the agreement of the parties or employees, if agreement cannot be reached, this dispute procedure shall be applied.
- (c) The following four stage procedure shall be adhered to in resolving matters under this clause:
 - (i) Discussion shall take place between the employee/s concerned and at his/her request, the appropriate union shop steward/delegate, and the immediate supervisor/s. The immediate supervisor will act promptly and co-operatively.
 - (ii) Discussions involving the employee/s, the shop steward/s and senior management;
 - (iii) Discussion involving representatives from State Branch of the union/s concerned and nominated employer representatives;
 - (iv) Discussions involving senior union officials (State Secretary or National Officer) and nominated employer representatives.
- (d) The parties may during this process refer the matter in dispute to an agreed independent person.
- (e) The earliest possible advice should be given by one party to the other of any issue or problem which may give rise to a grievance or dispute.
- (f) Throughout each of the above stages of the procedures, all relevant facts shall be clearly identified and recorded and reasonable time limits allowed for the completion of the various stages of discussion. At least seven days should be allowed for all stages of the discussions to be finalised.
- (g) The parties are committed to achieving negotiated settlements without work stoppages. However, if the negotiation process is exhausted without the dispute being resolved, the parties shall jointly or individually refer the matter to the Australian Industrial Relations Commission for conciliation and assistance in resolving the dispute. In the event that both parties to the dispute agree, the Commission may be requested to arbitrate on the matter.

- (h) The parties agree that during the resolution of matters in accordance with this clause the parties shall be committed to avoid stoppages of work, lockouts or any other bans or limitations on the performance of work.
- (i) The employer shall ensure that all practices applied during the operation of these procedures are in accordance with Safeworking practices.
- (j) Where a dispute exists and whilst that dispute remains unresolved and is being addressed through this procedure, the parties will return to the situation and arrangements that existed prior to the issue which caused the dispute, such that no party is prejudiced during the process to resolve the matter.
- (k) Occupational Health and Safety Issues

Where a matter involving occupational health and safety arises, it shall be dealt with in accordance with the provisions of the Occupational Health and Safety Act 1985, Victoria (as amended) (or the relevant State Occupational Health and Safety Legislation) and the industry Occupational Health and Safety agreement.

24. Best Practice

The parties are committed to the objective of achieving the best known practice, nationally or internationally, where such practice is considered relevant and adaptable by utilisation of appropriate benchmarks. Best practice is a continuous improvement process, which involves constantly reviewing, changing, adapting and integrating related approaches to organisational issues within the framework of this Agreement. Best practices are not fixed and not restricted to an examination of costs, but also include quality and delivery of service issues.

The parties recognise that best practice must be achieved within agreed timeframes to enhance the performance of the Company.

The parties acknowledge that the implementation of the best practice approach will lead to the implementation of agreed initiatives.

The parties agree that best practice is outcome rather than simply activity based. It provides the processes, structures, rights and obligations which are essential to ensure that the full capacity for innovation of employees is fully and effectively used.

Best practice programs are to be based on the following principles:

- (a) employees and unions will be fully involved;
- (b) a planned and structured approach will be used to set and achieve objectives;
- (c) appropriate facts, data and analysis will be made available to employees involved in the process;
- (d) partnerships with suppliers and customers will be actively pursued;
- (e) quality will be achieved by having well planned and managed processes;
- (f) processes will be standardised as part of process management;

- (g) continual improvement of all processes will be pursued;
- (h) ways will be sought to innovate and redesign processes;
- (i) emphasis will be on prevention and improvement; and
- (j) an appropriate level of community and environmental responsibility will be demonstrated.

The parties to establish joint processes, within 6 months of the commencement of this Agreement, to facilitate discussions and work reviews as part of the performance improvement initiatives.

25. Security of Entitlements

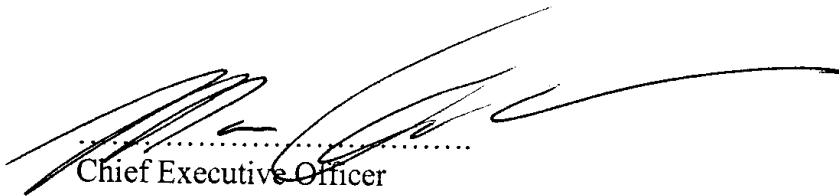
Freight Australia will review its financial position and the coverage of employee entitlements with the parties to the Agreement, at least annually, or more frequently if circumstances arise in which its financial position is substantially changed.

PART E -- DECLARATION AND SIGNATORIES

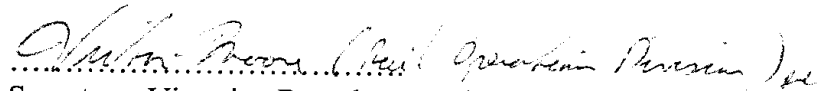
26. Declaration

This enterprise agreement has been negotiated through extensive consultation between management and employees. The content of the agreement has been canvassed with all parties.

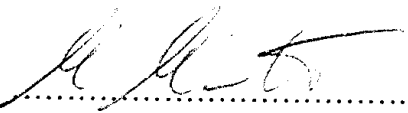
27. Signatories




 Chief Executive Officer
 Freight Australia



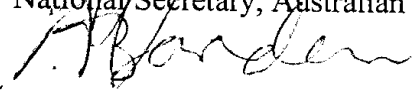
 Secretary, Victorian Branch Australian Rail, Tram and Bus Industry Union



 Secretary, Victorian Branch Australian Rail, Tram and Bus Industry Union Locomotive Division

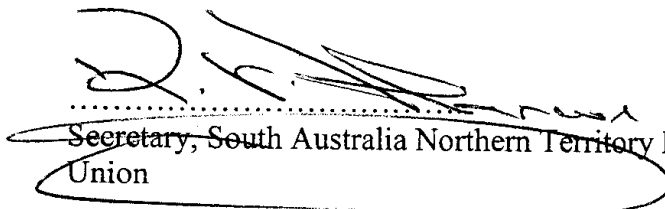


 National Secretary, Australian Rail, Tram and Bus Industry Union




 for BOB HAYDEN

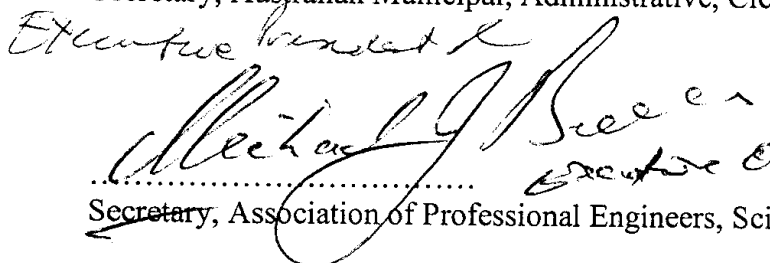
 National President, Australian Rail, Tram and Bus Industry Union



 Secretary, South Australia Northern Territory Branch Australian Rail, Tram and Bus Industry Union



 Secretary, Australian Municipal, Administrative, Clerical and Services Union



 Executive Officer Transport Division,
 Secretary, Association of Professional Engineers, Scientists and Managers, Australia

Dated: March 24, 2004

PART F - APPENDICES

APPENDIX A - Flexible Working Arrangements and Continuous Improvement Initiatives

General

Head office and administrative staff will work an average of a 38-hour week over a 152 hour period. This will be worked as a 7 hour 36 minute day unless otherwise agreed with their manager. Where applicable, Award penalties for working weekends and public holidays and shift work, will apply. While E.D.O.s will no longer accrue, any E.D.O.s accrued prior to this Agreement will be preserved but must be taken as time off duty.

Jointly work to develop an agreed single Freight Australia Award. This award will be implemented by agreement between the parties.

Without changing the overall quantum of sick leave accrual (i.e. 12 days per year for Rollingstock Maintenance employees and 15 days per year for all other employees), employees will no longer have the option of take sick leave at half pay.

Where an employee has accrued a day in lieu for a public holiday worked, this day (if not taken as time off within 12 months of working that public holiday), will be paid out. This initiative is to commence on 1 August 2000, will not be applied retrospectively, and will not apply to Locomotive-grade employees.

In workplaces where it is impractical to release employees from duty to take E.D.O.s (including block book offs), the following may apply at that location by agreement with the majority of employees:

- (a) An amount of money equivalent to one day at ordinary rate of pay will be paid at the end of the period in which the E.D.O. would have accrued.
- (b) In the case of a block book off, payment will be made of an amount equivalent to the number of days that would have accrued under the E.D.O. arrangements.
- (c) Payment of this monetary amount will not count for overtime or penalty purposes.
- (d) The monetary amount may be taken as salary sacrifice to superannuation at the employee's request.

This clause is not applicable to head office and administrative employees.

Operations

Productivity Initiatives agreed under the Freight Australia Enterprise Agreement 2000 will continue in force.

Operations Review

A joint working party will review ways of improving operational flexibility during the life of the 2004 Agreement. The review is to include the following issues:

- (a) Arrival and departure of trains (as in North Dynon) to apply to Geelong and Tottenham Yards without ground staff on duty.
- (b) Set back moves in all yards to be either train crew or Freight Operations Employees ('FOE')
- (c) Introduction of area relief positions i.e. FOE at Echuca to relieve at Shepparton, no expenses to apply.
- (d) All FOE locations medicals to be done in own time.
- (e) Locomotive preparation (including fuelling, starting and oil/water/sand checking and replenishment) at designated fuel points outside maintenance workshop hours.
- (f) Protocols for addressing short term shortages of train crews.
- (g) Shunting on route on a state by state basis.
- (h) Other issues as jointly identified during the review.

The joint working party will consist of members determined jointly by the Company and the RTBU.

Second Persons - Operating Employee Development

Appropriately trained and qualified Freight Operations Employees at Maryborough may operate as second persons in accordance with parameters agreed with the RTBU.

General Freight 12 Hour Roster Code (Non Train Crew)

The General Freight Roster Code will be discontinued from the commencement date of the 2004 Agreement. The terms of the 2004 Agreement and relevant award will apply as for other employees covered by the Award.

The Aggregate Allowance paid to existing employees will be paid as personal rates and will continue to absorb any loadings or special payment such as Annual Leave Loading or shift penalties.

Public Holidays will be recognised as per the relevant award.

The employees affected will work rosters and shifts as determined by the Company.

APPENDIX B - Classification Structures and Definitions

Train Crew Classifications and Rates of pay

Implementation of this structure will be finalised on a state by state basis.

| Classification | Definition | Wage Rates \$ PW | | |
|---|---|------------------|---------|---------|
| | | Base | Agg All | TOTAL |
| Trainee Driver New Start | Is a New start Trainee Locomotive Driver | 501.30 | | 501.30 |
| Trainee Driver Stage 2(Qualified Second Person) | Means a Trainee Driver who has successfully completed all necessary training evaluation and is authorised as proficient to perform required locomotive duties. | 561.00 | 157.70 | 718.70 |
| Second Person (NSW) | Means an employee who has successfully completed the appropriate training and has been assessed as competent to work as a Second Person but is not in the Driver Training Scheme whilst still progressing to Driver | 561.00 | 157.70 | 718.70 |
| Trainee Driver 12 months | Means a Trainee Driver who has successfully completed 12 months of the Driver Training Scheme | 654.30 | 185.20 | 839.50 |
| Advanced Trainee Driver | Means a Trainee Driver who has successfully completed Stage 8 of the Driver Training Scheme (formerly Trainee Driver 24 months) | 696.60 | 293.80 | 990.40 |
| Senior Second Person (NSW) | Means a Second Person who has been engaged for at least 18 months and has demonstrated a level of skill and competency to be able to perform their duties at an advanced level, whilst still progressing to Driver. | 696.60 | 293.80 | 990.40 |
| Stage 10 Driver | Means a person who has completed Stage 10 of the Driver Training Scheme and who is used and paid on an as required basis as a rouseabout on locomotive and train preparation, fuel point and shunting operations. | 811.00 | 416.50 | 1227.50 |
| Locomotive Driver | Means a Driver who has successfully completed the Driver Training Scheme and is appointed to perform driving and other duties on the Company's train network. | 811.00 | 416.50 | 1227.50 |

| | | | | |
|---------------------------------|--|---------|--------|---------|
| Special Class Instructor Driver | Means a Locomotive Driver who is appointed or seconded to be responsible for determining the train operating strategies for all types of trains on specified corridors, conducting classroom or simulator instructional duties, for evaluating and qualifying Trainee Drivers to Locomotive Driver, and for the general coordination and monitoring of on the job training for Trainee Drivers and Locomotive Drivers. Additionally, the Special Class Instructor Driver shall assist in development of simulation/training exercises utilising locomotive data monitoring equipment and carry out check rides as and when required. | 1069.80 | 298.60 | 1368.40 |
| Team Leader | Means a Locomotive Driver who is responsible for establishing, maintaining and monitoring train operating standards ensuring that training for train crews meet the operating criteria for Freight Australia Trains as per agreed Position Description. | 1069.80 | 298.60 | 1368.40 |
| OJT/Driver in Charge Allowance | Is paid to a Driver who conducts directed or instructs on the job training for Trainee Drivers and Locomotive Drivers or is in charge of a group of Drivers | | | 105.00 |

FOE 4A. "Officer in Charge". Distinction between 4A and 4B is based on responsibility levels. Provision for the appointment at this level of Train Examiner Supervisors who were classified Foreman Artisan, as at 13/7/98, on completion of Oxy Welding training. Such appointees will undertake a team leader function but will not be recognised as O.I.C. in this role.

FOE3B Group 3. Performs Train Examination and/or 2nd Person duties in addition to a multi function team leader role.

FOE 3B Group 2. Performs RGR duties in addition to a multi function team leader role.

FOE 3B Group 1. Performs team leader role.

FOE 3A Group 3. Performs Train Examination and/or 2nd Person duties in addition to multifunction team leader role.

FOE 3A Group 2. Performs RGR duties in addition to a multifunction team leader role.

FOE 3A Group 1. Performs a team leader role.

Staff classified as Train Examiner Special Class as at 13/7/98 may be appointed at this level upon completion of oxy welding training.

FOE 2C Group 3. Performs Shunting and 2nd Person duties as well as 2 other functions (excluding RGR).

FOE 2C Group 2. Performs Shunting and 2nd Person duties as well as 1 other function (excluding RGR).

FOE 2C Group 1. Performs 3 of the following functions: Shunting, Freight Handling, Safeworking, Oxy Welding, Train Examination. Note: FOE 2B Shunting/RGR staff may progress to this level on gaining full Train Examiner qualifications or undertaking 2nd Person duties (existing employees only).

FOE 2B Group 4. Performs Shunting and 2nd person duties.

FOE 2B Group 3. Performs one of the following combinations of functions: Freight Handling Shunting, Shunting/Safeworking, Shunting/RGR, Train Examination/Shunting, Train Examination/Oxy Welding.

FOE 2B Group 2. Performs one of the following combinations of functions: Train Examination/Safeworking, Train Examination/Freight Handling.

FOE 2B Group 1. Performs a combination of Freight Handling and Safeworking functions.

FOE 2A Tr. Exam. As a transitional arrangement, Train Examination staff shall be paid in accordance with rates pertaining to existing classifications.

FOE 2A Group 2. Performs Shunting functions.

FOE 2A Group 1. Performs Freight Handling or Safeworking functions.

* FOE on loco will continue to progress in accordance with existing agreements.

Freight Handlers

| | |
|--|----------------------------------|
| Freight Handler Mechanical 3 \$780.30 | |
| Freight Handler Mechanical 2A \$695.70 | |
| Freight Handler Mechanical 2B \$676.10 | |
| Freight Handler Mechanical 1 \$625.50 | Freight Handler 2 \$615.60 |
| Freight Handler 1A \$576.60 | Freight Handler 1 \$599.40 |

Clerical/Administrative staff (Rates per annum)

| <u>Division</u> | <u>Clerk Class 1</u> | <u>Clerk Class 2</u> | <u>Clerk Class 3</u> | <u>Clerk Class 4</u> | <u>Clerk Class 5</u> | <u>Clerk Class 6</u> |
|-----------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1 | 26,783 | 34,020 | 36,637 | 38,424 | 40,903 | 43,065 |
| 2 | 28,080 | 34,892 | 37,116 | 39,526 | 41,757 | 44,082 |
| 3 | 29,377 | | | | | |
| 4 | 30,698 | | | | | |
| 5 | 31,973 | | | | | |
| 6 | 32,899 | | | | | |

Junior Rates

| | |
|----------------|--------|
| At or under 17 | 19,808 |
| At 18 | 21,315 |
| At 19 | 24,675 |
| At 20 | 26,064 |

Senior Officers

Senior Officer Range is from \$44,083 to \$69,504 p.a.

Employees over \$69,504 p.a. will be given the opportunity to be employed via a total cost to employer based individual contract and paid on a monthly basis.

Train Control/Signals

| | Rate per annum |
|--------------------------|-----------------------|
| SNR TRAIN CONTROLLER | 61,965 |
| TRAIN CONTROLLER 1 | 55,244 |
| TRAIN CONTROLLER 2 | 53,730 |
| TRAIN CONTROLLER 3 | 52,216 |
| TRAIN CONTROLLER 4 CRTL | 50,703 |
| TRAINEE TRAIN CONTROLLER | 43,107 |

| | Rate per week |
|-----------------------|----------------------|
| SIGNALMAN CLASS 3 | 609.70 |
| SIGNALMAN CLASS 2 | 618.90 |
| SIGNALMAN CLASS 1 | 675.00 |
| SIGNALMAN SPECIAL 'B' | 704.00 |
| SIGNALMAN SPECIAL 'A' | 712.70 |

APPENDIX C - Aggregate Wage Agreement for Train Crew

**FREIGHT AUSTRALIA
AGGREGATE WAGE 2000**

*pursuant to
Freight Victoria Ltd.
trading as
FREIGHT AUSTRALIA
Enterprise Agreement 2004
Part F, Appendix C*

**AGGREGATE WAGE
FOR TRAIN CREW**

MEMORANDUM OF AGREEMENT

JANUARY 2004

FREIGHT AUSTRALIA

AGGREGATE WAGE FOR TRAIN CREW EMPLOYEES

MEMORANDUM OF AGREEMENT

Preamble

This agreement has been reached between the relevant parties for an Aggregate Wage for Train Crew employees.

This agreement shall form part of Freight Australia Enterprise Agreement (Rail Operations) 2004 and read in conjunction with it.

The content of this Memorandum of Agreement reflects the increases available under Part C of the Freight Australia Enterprise Agreement 2004. A wage rates table is included.

This Memorandum of Agreement and the Aggregate Wage Rostering Code referred to below, describe a revised method of working and payment of wages for Train Crew employees employed by Freight Australia.

It is the clear intention of both Freight Australia and the Australian Rail, Tram and Bus Industry Union (Locomotive Division) that the terms of this Agreement are binding on the parties to this Agreement and will form part of a Train Crew employee's terms and conditions of employment, with Freight Australia.

Incidence Of Agreement

The terms of this Memorandum of Agreement will apply specifically to Train Crew employees employed by Freight Australia.

The provisions of the Freight Australia Enterprise Agreement 2004 shall be deemed to regulate the conditions of employment for employees covered by this Memorandum of Agreement. In so far as the Freight Australia Enterprise Agreement 2004 is inconsistent with this Memorandum of Agreement, or the Aggregate Wage Rostering Code then this Agreement, and the Aggregate Wage Rostering Code, shall prevail to the extent of the inconsistency.

Workplace Reforms

Changes are designed to achieve gains in productivity, efficiency and cost savings which will improve the Company's prospects in order to be cost efficient and competitive in the rail freight industry and also provide stability in Train Crew employee earnings together with greater flexibility in the way they work ordinary hours.

The Aggregate Wage

Following the certification of the Freight Australia Enterprise Agreement 2004 all Train Crew employees will be paid the aggregate wage amounts outlined in the attendant wage rates table. The hourly rate, inclusive of the aggregate allowance, has been calculated so that it includes compensation for:

- (a) Shift Penalties
- (b) Tonnage/Distance Payments
- (c) Weekend/Public Holiday Penalties
- (d) Geelong Grain Loop and Fuel Point Allowances
- (e) Introduction of Alternate Safeworking (ASW)
- (f) Annual Leave Loading
- (g) Special Class Driver Operations Allowance
- (h) 33 1/3% of the Driver Only Operations Allowance and 100% of the Driver Only Shunting Allowance.

A Train Crew employee who is ready, willing and available for all work offering over the roster cycle (in accordance with the provisions of the Aggregate Wage Rostering Code, or when on approved leave), will be paid each fortnight two weeks wages at the aggregate rate.

Engagement of Train crew

Train crew may be engaged on a fixed term basis in accordance with standing parameters agreed with the RTBU on a State by State basis.

Appropriately qualified train crew may be hired from established Rail Operators or Rail Service Providers in accordance with standing parameters agreed with the RTBU on a State by State basis.

Freight Australia will use secondments/fixed term employees primarily to supplement its workforce to meet peak demands, temporary shortfalls and other demands of a similar nature.

The use of such arrangements will not result in the retrenchment or displacement of any current full time employees.

Freight Australia will consult with the parties to the Agreement on the use of such labour and will review its arrangements on a regular basis.

Job Share/Part Time Employment

Job Share arrangements for existing train crew may be implemented in accordance with parameters agreed between Freight Australia and the RTBU on a State by State basis.

Freight Australia will consult with the RTBU on the application of part time employment for train crew on a State by State basis.

Additional matters

Appropriately trained Locomotive Drivers may be utilised to provide On the Job training, as nominated by the Operations Manager. The OJT Allowance, specified in the attendant wage rates table, will be paid when a Locomotive Driver has been classified and/or seconded to On the Job training

The parties have agreed that Locomotive Drivers will be paid the sum of the Driver Only Allowance plus the RTL Allowance at all times while operating the Road Transferable

Locomotive. The DOO Allowance will not apply when the RTL is being operated within Tottenham Yard and/or North Geelong Yard.

The parties have agreed to continue the shunting with mainline locomotives initiative, subject to operational and Occupational Health & Safety considerations, allowing the Y class locomotives currently operating in yards to be removed from operation, if practicable. This initiative is not intended to prejudice the parties regarding the introduction of one-person-on-loco shunting in marshalling yards. The agreement does not apply to North Geelong and Tottenham Yard, which will be subject to separate consideration.

A joint working party will establish agreed standing parameters for the operation of Driver Only in Victoria on a line rather than a specific train basis and review the structure and payment of the Driver Only Allowance.

Where the Company intends to introduce Driver Only into a state other than Victoria then a joint working party will be established involving the relevant State Locomotive Division and the Company to discuss and agree as to the parameters for the operation of such within that state.

Occupational Health & Safety

All Occupational Health & Safety issues stemming from the application of this agreement will be addressed in accordance with an agreed Occupational Health & Safety Policy and relevant State based legislation.

Dispute Resolution

Any dispute arising from application of this Memorandum of Agreement or implementation of the Workplace Reforms shall be processed in accordance with the Dispute Settling Procedure which forms part of the Freight Australia Enterprise Agreement (Rail Operations) 2004.

Aggregate Wage Rostering Code

This Memorandum has the effect of varying a number of Award clauses to give effect to the application of the Aggregate Wage and flexible working hours.

The parties have agreed to develop, as soon as practicable, a new Aggregate Wage Rostering Code for Train Crew to replace previous codes and amendments having regard to the following principles:

- References to be updated and redundant provisions removed.
- Excess hours banking to be limited to six (6) months during the life of the Agreement.
- Penalty provisions not to apply where an off roster day is changed by mutual agreement with the employee
- Penalty provisions for lift up and lay back may be amended by local agreement and State Divisional endorsement to offset the impact of changes in daily roster requirements.

Separate codes, based on an agreed core code, will be developed to meet particular/special circumstances applying in each State, where such is requested by the relevant State Locomotive Division. The Freight Australia Enterprise Agreement (Rail Operations) 2004 will be varied to incorporate the new code or codes as annexures to this memorandum.

Until this variation takes effect, the Rostering Codes for Locomotive Grades and Guard/Second Persons set out in Annexure A of Part F Appendix C of the Freight Australia Enterprise Agreement 2000 and the Locomotive Crew Aggregate Wage and Rostering Code Amendment

Agreement 2001 and any other specific State based rostering/working conditions where such have been agreed, will apply with the following amendments:

- Where an employee elects to take time off in lieu of payment for excess hours worked, any time off in lieu accrued from the commencement of the Freight Australia Enterprise Agreement (Rail Operations) 2004, must be taken within 6 months of the excess hours being accrued. Time off in lieu not taken within that time frame will be paid out.
- The Off Roster Penalty will not apply where an off roster day is changed by mutual agreement with the employee.
- The penalty provisions for lift up and lay back may be amended by local agreement and State Divisional endorsement to offset the impact of the changes in daily roster requirements.

APPENDIX D - Locomotive-grades and Guard/Second-person's salary sacrifice agreement

AGREEMENT PURSUANT TO V/LINE FREIGHT CORPORATION ENTERPRISE AGREEMENT 1997 (AS VARIED DECEMBER, 1998)

1. This Agreement has been reached between Freight Victoria and the Australian Rail, Tram and Bus Industry Union arising from the above Agreement pursuant to sub clause 4.4.
2. This Agreement shall be filed with the Australian Industrial Relations Commission and shall form part of the V/Line Freight Corporation Enterprise Agreement 1997 (as varied December, 1998) and be read in conjunction with it.
3. The content of this Agreement has been subject of consultation with the employee affected by its prior to having been signed by the parties.
4. This Agreement confirms the agreement between the parties to the provision of Deemed Contributions to superannuation.
5. Clause 4 (d) and 5 of the Aggregate Wage and Memorandum of Agreement of Locomotive Drivers provides for a wage which comprises a base rate and aggregate allowance. The intention of this Agreement is to provide Locomotive Drivers with the opportunity of packaging their wage and having Freight Victoria contribute part of their pre tax earnings into superannuation.
6.
 - (a) Packaging of their wage will allow Locomotive Drivers to nominate a fixed amount from their pre tax fortnightly wages to be paid into superannuation. The principle is that drivers will continue to receive whatever their fortnightly pre tax earnings would be under the Aggregate Wage Agreement less the nominated superannuation contribution.
 - (b) This fixed amount can only be varied once in each 6 month period.
 - (c) Whilst the superannuation contribution will reduce the fortnightly earnings, the original hourly rate of pay will be the basis for the payment of excess hours and shifts, which will remain the full aggregate rate, payments prescribed as being made at the base rate will continue to be so and sick leave absences with a medical certificate will continue to be paid 80% of the aggregate rate.
7. Contributions made under this Agreement would be limited to Vic Super or the Superannuation Trust of Australia (S.T.A.)

APPENDIX E - Salary sacrifice agreement - other employees

AGREEMENT PURSUANT TO VLINE FREIGHT CORPORATION ENTERPRISE AGREEMENT 1997 (AS VARIED DECEMBER, 1998)

1. This Agreement has been reached between Freight Australia and the Australian Rail, Tram and Bus Industry Union arising from the above Agreement pursuant to sub clause 4.4.
2. This Agreement shall be filed with the Australian Industrial Relations Commission and shall form part of the V/Line Freight Corporation Enterprise Agreement 1997 (as varied December, 1998) and be read in conjunction with it.
3. The content of this Agreement has been the Subject of consultation with the employees affected by it prior to having been signed by the parties.
4. This Agreement confirms the agreement between the parties to the provision of Deemed Contributions to Superannuation.
5. The intention of this Agreement is to provide Freight Australia employees with the opportunity of packaging their 'wage and having the Company contribute part of their pre tax earning into Superannuation.
6.
 - (a) Packaging of their wage will allow employees to nominate a fixed amount from their pre tax fortnightly wages to be paid into superannuation. The principle is that employees will continue to receive whatever their fortnightly pre tax earning would be under the Enterprise Agreement less the nominated superannuation contribution.
 - (b) This fixed amount can only be varied once in each 12 month period.
7. Contributions made under this Agreement would be limited to Vic Super or the Superannuation Trust of Australia. (S.T.A.).

APPENDIX F

RELAY WORKING

Definition

"Relay Working" means crewing a locomotive to permit continuous operation of a train. Such crewing methods shall be limited to the corridor Adelaide to Perth.

Implementation

Implementation of relay working will be on a case by case basis and will be subject to consultation and agreement between the Rail, Tram and Bus Union Locomotive Division in each state and Freight Australia.

Shift length

A person rostered to perform relay working, shall work a maximum of eight hours per shift on the locomotive and up to a total of 9 hours for operational requirements which are train-crossings and fuelling.

Intervals between shifts

There will be a minimum break of eight hours between the finish of one working shift and the commencement of the next working shift.

Foreign Location

The minimum break at a foreign location during relay working shall be 12 hours at a motel or barracks to a standard as agreed between the parties. The 12 hours break will commence when the employees arrive at the motel and be completed when the employee leaves the motel to sign on duty.

Completion of a relay

The minimum break after a completed relay operation will be 48 hours commencing midnight on the day of which the employee has signed off from duty, with the exception of line haul delays up to a maximum of two hours.

Time whilst in relay van

All time spent whilst in the relay van shall be paid at 50% of the Locomotive Driver General Class (or the Special Class Instructor rate as the case may be) aggregate rate as prescribed in the Freight Australia (Rail Operations) 2004 Agreement.

All hours whilst in the relay van will account as working hours and be part of the 480 hour cycle per month..

Crew Vans

Crew vans will be maintained to a standard as agreed between the RTBU Locomotive Division and Freight Australia.

Fatigue Management Study

The parties agree to the implementation of a fatigue management study, conducted by the Centre for Sleep Research, on the quality and quantity of rest attained by a train crew during a complete relay operation. Such study will commence at the same time as the start of Freight Australia's operation. Relay working will be in trial mode whilst the assessment takes place. If, at the end of the trial phase (three months) it is shown that the relay operation has a detrimental effect on the train crew, then the method of relay employed will be reviewed which will include an investigation for alternatives for this operation. Any alterations from the trial will be done by agreement between the parties. The findings of the study will be reviewed with the RTBU Locomotive Division and the employees affected and implemented as appropriate.

Leave Reserved

As the parties to this Agreement where unable to reach final agreement as to some of the matters covered in this Appendix, they have agreed that it shall be dealt with in the manner set out below.

The parties agree to enter into discussions within the first 6 months of this agreement as to an appropriate increase in the current payment paid to employees for the period of time the employee is in the rely van whilst performing relay working.

In the event that the parties cannot reach agreement in accordance with the Dispute Settlement Procedures then the parties agree, that either party may take the matter to the Industrial Relations Commission to have the matter arbitrated.

Any decision by the AIRC will be accepted by the parties and the parties will take all necessary steps to have the Agreement varied to reflect the decision.

APPENDIX G

Classification Structure Review Principles

1. Classification Structures under the Freight Australia Enterprise Agreement are to be reviewed with the objective of ensuring that they meet the needs of Freight Australia to have appropriately skilled employees and provide employees with opportunities for development in the setting of Freight Australia's business requirements and circumstances.
2. An agreed timeframe for review of classification structures will be established as soon as practicable after the commencement of the Enterprise Agreement with priority to be given to establishment of a new FOE structure.
3. 3 Streams are to be developed:
 - Operations including Freight Operations Employees with multiple career paths and cross skilling
 - Workshops with a single classification structure tailored to meet Freight Australia's maintenance and engineering needs broadly based on the metals classification structure
 - Clerical/admin incorporating train control.
3. The classification structure is to exclude management positions as determined by the Company.
4. Classification levels are to be based on work performed, contribution made and skills required to suit this business in the context of the rail industry. An established Job evaluation methodology including the Transport and Distribution Training Package may be utilised to assist in defining grades and levels.
5. Levels to be underpinned in terms of minimum skills/training for non train crew requirements by a training plan developed from the Transport and Distribution Rail Operations Training Package, and other suitable training packages as required, tailored for Freight Australia.
6. Training is to primarily be through on the job instruction and provided by accredited trainers. Off the job training required by Freight Australia to meet job requirements will be arranged by the Company.
7. Implementation of any new structures are to be cost neutral. Any increases resulting from the new structure must be offset by other work practice changes and productivity improvements.
8. Ranges are to be used as required to assist in translation of existing employees to the new/revised structures.
9. Individual performance and contribution as well as demonstrated competencies are to be incorporated as a factor in progression through the structure.
10. Multiskilling/flexible deployment is to be emphasised.

APPENDIX H

Interstate Public Holidays

Employees shall be entitled to public holidays on the following days:

- (a) New Years Day, Good Friday, Easter Saturday, Easter Monday, Boxing Day and Christmas Day; and
- (b) the following days, as prescribed in the relevant states, territories and localities: Australia Day, Anzac Day and Eight Hours Day (or Labour Day); and
- (c) one other day to be specified according to state, territory or locality.

Public Holidays Falling on Saturday and Sunday

- (a) When Christmas Day is a Saturday or Sunday, a holiday in lieu thereof shall be observed on 27 December.
- (b) When Boxing Day is Saturday or Sunday, a holiday in lieu thereof shall be observed on 28 December.
- (c) When New Years Day or Australia Day is Saturday or Sunday, a holiday in lieu thereof shall be observed on the next Monday.

Additional Days

Where, in a state, territory or locality, public holidays are declared or prescribed on days other than those set out on (A) and (B), those days shall constitute additional days for the purpose of this Agreement.

Substitute Days

Freight Australia may by agreement with the relevant union substitute another day for any prescribed in this clause.