



Marc Marotta
Divisional Secretary
RTBU Locomotive Division
Level 6, 1 Elizabeth St, Melbourne 3000

29 March 2018

Dear Marc,

Re: HCMT project

Thank you for your recent correspondence dated 22 February 2018 which outlines four matters you state have not been responded to adequately by MTM. We deny that this is the case, however note more relevantly that the ongoing objection of the Locomotive Division is seated in the erroneous belief that MTM is party to, or are intending to be party to, a Greenfields Agreement in relation to the Pakenham East Train Maintenance Facility ("the TMF") and/or are in a position to make decisions in relation to the operation of the TMF.

More specifically, the primary issue, as the RTBU Locomotive Division ("LD") has indicated clearly to MTM, is that you will not cooperate or allow consultation in relation to any aspect of the HCMT project until such time as the demarcation issue in relation to train movements at the TMF has been addressed to your satisfaction.

For clarity and in relation to these concerns please note the following:

1. The arrangements between MTM and Project Co do not include plans to introduce a Greenfields Agreement; this belief is misguided.
2. MTM does not have the contract to operate or oversee the Pakenham East train maintenance facility ("the TMF"). The party to that contract with the State Government is, as you are aware, Downer.
3. Whilst MTM has a significant involvement in the overall HCMT project, MTM does not have any control over train movements inside the Pakenham East maintenance facility. This is a matter for Downer.
4. MTM recognise, as discussed with you previously, the contents of clause 1.9 of the *Metro Trains Melbourne Pty Ltd Rail Operations Agreement 2015-2019* ("the Agreement") however we deny entirely that this gives MTM the right to direct the work of parties outside the scope of the Agreement in the manner you are requiring. In the event that the LD has a different legal viewpoint to this we are happy to hold good faith discussions surrounding same.

The above points have been communicated on multiple occasions to the LD. MTM are concerned that your ongoing refusal to consult places many of our employees and your members at detriment, given the project is to proceed according to the timelines of which you are aware.



We raise again our concerns that the LD are directing your members not to attend consultation in relation to any aspect of the HCMT project on the basis of this demarcation issue which is, again, outside of MTM's control.

In relation to this we retain our concerns as previously outlined and further characterise the conduct of the LD as being a deliberate action to prevent MTM from meeting our obligations to consult under the Agreement, obligations which I'm sure you are familiar with. In particular I make reference to your instruction to a HSR on or around 21 March to withdraw from a scheduled consultation, in relation to a lighting demonstration for lighting that will be utilised at PKM east. Our employees and your members are indicating a high level of support for this project and a desire to be involved in the normal manner of consultation.

As you are aware, this is a significant Government initiative that has substantial benefits for the citizens of Victoria. Whilst we recognise your moral objection to the movement of trains we do not consider that this matter of demarcation, which is outside MTM's control, constitutes an appropriate reason to withhold your cooperation or indeed to direct your members not to be involved in the manner outlined.

In order to move this matter forward I invite you to a formal meeting to discuss your concerns in more detail. I look forward to your response.

Yours Sincerely

Ali Elbouch
General Manager Train Services