

1 April 2020

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Kevin,

This letter serves to outline the position of Qube Logistics (Rail) Pty Ltd (**Qube**) in relation to the ongoing negotiation of the Qube Logistics (Rail) Train Crew Enterprise Agreement 2019 (**EA**) and measures the company is taking as a result of the COVID-19 pandemic.

By way of background, the negotiation of the EA has been ongoing since 2018. All parties have made their best endeavours to reach agreement during this time with the most recent vote for the acceptance of this document being held on 15 February 2020. The result of this vote was the rejection of the offer proposed by the company.

Since the conclusion of that vote the company and the RTBU continued to negotiate the terms of the EA which resulted in the company making a revised offer. This revised offer was for a 4-year agreement with annual increases of 3% for year 1 & 2 and 3.5% for year 3 and year 4.

Post Qube discussing the revised terms we have been subject to the onset of the COVID-19 pandemic and ensuing negative economic conditions. This has resulted in Qube reconsidering its position with respect to the most recent discussions.

Qube has a holistic review, not limited to this EA negotiation but to the wider structure of the workforce and has resulted in a number of measures being undertaken in order to ensure the business is able to trade through this COVID-19 pandemic.

Given the afore mentioned circumstances and the current climate Qube's revised position is as follows;

- Wage freeze; meaning the current agreement in its entirety will remain in place and binding until such time as the parties agree to negotiate a replacement agreement.

It is the commitment of the Qube Management team to approach these exceptional times with the preservation of the business as a priority, that intent means that now is a time that necessitates this action.

Sincerely

A handwritten signature in blue ink, appearing to read "Dan Coulton", written over a horizontal line.

Dan Coulton
General Manager – Industrial Relations