



RTBU NSW

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LOCO DIVISION

December 20, 2021

PN BULK EA – FIRST MEETING

Last week your Delegates and Officials were finally able to meet with Pacific National Management face to face to formally kick off the negotiations for a replacement Enterprise Agreement. The path to this point has been long and frustrating but it was great to finally get things moving.

Members would be aware that despite past indications that Pacific National were seeking a quick and productive Enterprise Agreement negotiation, the company issued two separate Notices of Employee Representational Rights, signalling a desire for separate Bulk and Coal Agreements.

This was then followed up with employee communications stating;

“If there is interest with the bargaining representatives to truly have one EA that supports improved performance to our customers, increases our competitive advantage and provides labour for the future requirements of the businesses, being mixed commodities, then we welcome the discussion of a one EA position”

After the initial pleasantries and introductions at the meeting, Pacific National provided a presentation on the state of the business, both current and future, which included the uncertainties regarding the future of coal and new opportunities with other commodities.

Bulk management spoke of customer centric models and competition from competitors. Part of the presentation referred to labour modelling and indicated *“our labour model must be responsive and focused on increasing hours on train.”*

Coal management focused more on current status, and future issues regarding production as global requirements change. Both groups went on to outline their *“areas of pain”* as they see them. The items characterised by management were inflexibility of the agreement in relation to moving traincrews around to areas as they are required, inflexibility in having fixed home depots and the time it takes to set up new ones, and a supposed inflexibility to work between bulk and coal depots. They also raised that it may be difficult to attract train crew to work in the coal business in the future.

The company then proceeded to state they wanted to move forward and have an EA that reflected the future, be attractive and provide secure jobs into the future. To achieve this, they went on to state they had considered four options as a way to address the scope of the current agreement and then presented their four options for consideration. These options were:

- 1) Defer – Defer to next round and agree to a rollover agreement
- 2) Existing – Aim to mold with existing conditions
- 3) Separate – 1 Coal EA, 1 Bulk EA but bulk becomes the future
- 4) Create – New section which applies to new employees

After presenting these options the management team went on to explain the options and stated their preferred option was “Create”, which would “grandfather” the current Parts B and C of the agreement and create a new “Part E” to cover all new employees and anyone from Parts B or C who may decide to opt in.

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Your negotiating team was surprised by the “Create” proposal as PN had consistently stated they wanted more consistency and one set of provisions for train crew, yet they now seem to be proposing a third set and essentially creating an “EA within an EA” for all new employees. *So much for “make it simple”!*

Your RTBU Locomotive Division negotiating team were immediately concerned by the concept of just “creating a new section”, especially given the company’s history with labour hire. Your bargaining team put many questions to Pacific National regarding their concerns and reservations:

- Who exactly is “Part E” proposed to cover?
- Will it apply to all new employees?
- Would it apply to support employees?
- How could the Intermodal business model be impacted or affected?
- Is there any plans to restructure Business Units, as has historically been the case when a new CEO or COO is brought onboard?

We also asked were PN proposing to have “Part E” employees covered by existing Part A conditions. Initially the answer was “No”, however this later changed to “maybe”.

Pacific National were unable to answer any of the above questions other than to say they wanted to work through it with us should the proposed path be acceptable to the RTBU.

The discussions were respectful and genuine in seeking each other’s thoughts and opinions. From our point of view, a better understanding of exactly what PN proposing is required.

After lengthy discussions, the RTBU requested Pacific National provide further information and specific examples of exactly what parts of the current Enterprise Agreement are causing “pain” from an operational perspective. PN agreed to get back to us with this information so we can better understand their proposal. We made it clear to PN, that while we are happy to hear further detail of Pacific Nationals proposal and consider how this could work, **we in no way will accept any lesser conditions and or pay scales in any new agreement or section of an agreement.**

We made clear to PN that the RTBU’s claim is one EA that covers all NSW employees including all classifications, not just in Pacific National Services, but all Subsidiary companies of the Pacific National’s Parent Company, “Australian Logistics Acquisition Holdings Pty Ltd”.

The parties agreed to schedule the next two-day meeting in the week beginning Monday 7 February 2021.

We will provide any and all further detail as it becomes available. In the interim, we encourage you to talk to your fellow workers about the EA and make sure they are all on board with our strong and proud union.



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