



February 1, 2024

Enterprise Agreement Update

QUBE still delaying an Enterprise Agreement

The RTBU NSW Locomotive Division wrote to Qube Management on 18 January 2024 expressing our frustration and concerns with QUBE's conduct in bargaining for the replacement Enterprise Agreement and requesting that they reply by 24 January 2024.

In this correspondence, we advised Qube that there remain 2 issues that we believe must be addressed to ensure Bargaining can continue in Good Faith.

They are,

1. Evidence of capacity to pay, and
2. Reasons for revisiting closed items.

Evidence of capacity to pay.

Late last year, Qube claimed to be experiencing significant operational and financial challenges and because of this, Qube Management said they need to explore other options of unlocking value and savings in order to justify any further increases to the wage offer. Despite these assertions, Qube has not provided any evidence of the deterioration in its operational and financial position.

Reasons for revisiting closed items.

Qube has sought to reopen bargaining on seven issues that were agreed between the parties. The Union has reservations about the utility in re-opening specific bargaining items at any stage, but especially at Qube's request to unlock some ephemeral concept of value and savings at this late stage in bargaining.

The seven items and Qube's rationale behind each item.

1. **Removal of the IRA Superannuation** - Qube's explanation: Clause 14.4 of the 2019 EA provides for an additional 3% superannuation to a small group of about 10 employees. This enhanced entitlement was originally intended to preserve the higher superannuation entitlement for employees covered by the old Independent Rail EA. That EA was replaced 7 years ago, and the 2023 EA will be the third enterprise agreement that has been negotiated since that EA last applied. Wages and conditions have improved for those employees over this period. The minimum superannuation contributions for other employees has also increased in recent years, reducing the extent of the difference between the two arrangements. As a result, the basis for retaining a two-tiered system for superannuation has diminished over time.



Ensuring that all employees receive the same superannuation entitlements is also a fair outcome.

In summary, Qube now want to remove the IRA Super of 14% for the sake of consistency. Your claim was to have everyone on 14%, which will also remove the two-tiered system and bring everyone on the same Superannuation Guarantee.

2. **Sick Leave** - Qube's explanation: This claim is aimed at containing Qube's personal leave liability and reducing its potential future liability. Clause 21.9 of the 2019 EA provides all employees with the equivalent of 15 days of personal/carer's leave per year. This is a particularly high rate of personal/carer's leave (50% above the National Employment Standards and the Rail Industry Award 2020). Employees have now enjoyed this enhanced entitlement for many years. As a result, accrued personal leave balances are generally quite high. The average accrued personal leave balance per employee is currently around 26 days. Most employees will have adequate accrued leave to cover most short-term absences due to illnesses or injuries.

Let's remind Qube Management, that this is an industry standard with many of the Rail Operators having 15 days or more of Sick Leave, this is because working a 24/7 roster on the railways is harder on the body and mind than working a 9-5 in an office or from home. .

3. **Golden Weekend** - Qube's explanation: The 'golden weekend' in clause 31.1 of the 2019 EA operates as a rostering restriction on Qube. The idea is to ensure that employees are rostered to have at least one weekend off in every 4- week period. Currently, however, the golden weekend covers a minimum 62-hour period. This is effectively 2.5 days. We propose to reduce the golden weekend to a 48-hour period only (so that it is limited to the actual weekend) from 12am on Saturday to 11.59pm on Sunday. This would deliver value to Qube by improving operational efficiencies, as well as reducing potential costs.

Another shameless position from Qube. A typical Qube Management weekend is from 1600hrs on a Friday, returning 0900 Monday. They get more time off than you and now they want to reduce your weekend to just 48 hours. That will amount to just 1 normal night in bed for you, while a Qube Manager gets every weekend off and has every night in bed. Remember, you only have a guarantee of just 1 weekend off in every 4. This is not enough time off to provide a 'reset break' to minimise the dangerous accumulation of fatigue.

4. **Shift Change Triggers** - Qube's explanation: Clause 34.9 of the 2019 EA provides that in the event of 3 or more shift alterations a shift becomes optional and, if worked, paid at overtime rates. An alteration may be a change to the employee's sign on location (for Sydney based employees only) or a change from mainline to shunt/local/shuttle (or vice versa). Often these alterations are inconsequential to employees. In fact, in some cases the alteration can be a benefit for the employees – for instance, an employee may be assigned a new sign on location



closer to their home. Our proposal is to remove the restrictions in this clause (except in relation to lift-ups and lay-backs). Necessary shift alterations that are inconsequential to employees (such as changing from mainline to shunt/local/shuttle) should not be treated as special shifts that attract penalty rates. This could create operational efficiencies and save on unnecessary costs.

“Unnecessary costs”??? How many times does Qube want to change your original sign on time, location, or type of work? By the sounds of it, many times without restriction or penalty. This condition was fought for and won, to ensure Qube doesn’t stuff you around.

5. **Wasted Meal Allowance** - Qube’s explanation: The wasted meal allowance in clause 37 of the 2019 EA is regularly claimed by employees. Qube typically spends approximately \$400,000 per annum on this entitlement. There is no justification for this. Trains are fitted with kitchen appliances (such as microwaves and kettles). We suspect that the entitlement is so generous that employees are incentivised to not take a meal break in circumstances where they should be taking their break. This incentivises the wrong behavior. Removing this incentive should result in employees taking their required meal breaks and will help Qube save hundreds of thousands of dollars in unnecessary costs.

QUBE are now saying that you are incentivised to not have a break. Maybe we should all join them in their air-conditioned meal rooms to enjoy all the amenities that you don’t have on a Locomotive. The real struggle is getting permission to have a meal break without being abused by Management ube.

6. **Local Working Shift Limits** - Qube’s explanation: The shift limit in clause 34.1 of the 2019 EA for local work is 10 hours. Our proposal is to amend this limit so that it would be consistent with the Rail Safety National Law, which allows for shifts of up to 12 hours in certain circumstances based on the qualifications of the crew. This would remove a rostering restriction that applies to Qube and would also help Qube to reduce its costs associated with paying overtime penalties. In Qube’s view, this work ought to be regarded as ordinary hours of work. Amending the 2023 EA to reflect this would deliver operational benefits and cost savings to Qube.

QUBE Management don’t seem to understand the type of work you’re doing. The likes of continuous shunting, provisioning, jumping from one train to another, no meal break, working all hours of the day or night, working in various weather conditions - all they care about is working you up to the maximum shift limit.

7. **Barracks Detention, 40-hour pattern span and daily allowances** – Qube’s explanation: QUBE’s proposal is that a daily barracks allowance would apply instead of the barracks working overtime rule in clause 41.1 of the 2019 EA, rest detention in clause 41.3 and the meal allowance in clause 41.4. This daily allowance would be simpler to administer and would place



a cap on Qube's potential financial exposure. This proposal is similar to the arrangement that is in place in the Qube Logistics Rail – North Queensland Workplace Agreement 2022.

The 40-hour pattern span is there for a reason- Qube must get you home within a reasonable time frame or pay overtime for all time beyond 40 hours. The North QLD Agreement has no limit, which means you could be away from your family for days on end without even being paid for it, just an allowance of \$165 per day. Qube also forgot to mention that the North QLD Agreement has Route Qualified Drivers on \$62.50 per hour when the EA was approved in 2022. A big pay difference between to 2 EA's.

To support their extraordinary and late shift in position, we have requested Qube supply further information to properly understand their reasoning in un-agreeing the seven bargaining items. The information we require, in addition to the capacity to pay evidence requested above, is as follows:

- What information Qube has suggesting pay increases are the only outstanding issue preventing a successful 'yes' vote,
- What pay increases Qube are targeting,
- How much Qube's target pay increase will cost,
- The quantum of any savings unlocked by each of Qube's claims.

In what can only be described as a delaying tactic, Qube Management emailed last Friday saying that we will get their response by the middle of this week, instead of the requested date of 24 January 2024. Nothing has been received yet, and we can all agree, enough is enough. We have lodged with the Fair Work Commission an application for the FWC to deal with a Bargaining Dispute.

The purpose of the application is to expose this unhandled trick for what it is and will shortly after follow that application up with the first intractable bargaining application in the Rail Industry. Members will be kept informed of any progress as it occurs.

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