

WITHOUT PREJUDICE

EBA6 – AUSTRALIA POST ASSOCIATED LETTERS

<u>Subject</u>	<u>Date</u>
1. RRR Outplacement Services	22 March '04
2. Mail Processing Structural Review / Joint Best Practice Examination	8 April '04
3. Technical Maintenance Arrangements	26 May '04
4. Dispute Resolution	27 May '04
5. S/L – P/T Staff Level of Payment	2 June '04
6. Training Courses for Union Representatives	21 July '04
7. Team Issues	23 July '04
8. Review of Delivery	23 July '04
9. Relief – Filling of Vacancies	26 July '04
10. Discipline Process	26 July '04
11. Fixed Term Employees – EBA6 – Clause 6.8	26 July '04
12. Work/Life Balance	27 July '04
13. EBA6 – Various Issues	11 August '04
14. Part-Time Dedicated Delivery	12 August '04
15. Superannuation Choice of Fund/Financial Advice	12 August '04
16. ACTU Letter	20 August '04
17. Franchising Implementation	24 August '04
18. Interstate Linehaul Remuneration	25 August '04
19. Transport Review	2 September '04
20. EBA6 Negotiations – Electrolux Implications	8 September '04
21. EBA6 Negotiations – Union Delegates Charter	8 September '04
22. EBA6 Negotiations – Conversion Policy	8 September '04
23. EBA6 Negotiations – Australia Post Franchise Agreement	8 September '04



WITHOUT PREJUDICE

22 March 2004

Mr. B. Baulk
Divisional Secretary
CEPU
PO Box 472
Carlton South VIC 3053

HEADQUARTERS

GPO BOX 1777
MELBOURNE VIC 3001
CORPORATE HUMAN RESOURCES
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE +61 3 9204 7411
FACSIMILE +61 3 9204 7255
WWW.AUSPOST.COM.AU

Dear Mr Baulk,

EBA 6 – RRR – OUTPLACEMENT SERVICES

I refer to the issue of outplacement services, associated with redundancy situations, that has arisen during EBA 6 negotiations.

In surplus staffing situations where staff have accepted a voluntary redundancy payment Australia Post is prepared to consider, as appropriate, the provision of group based outplacement services. The purpose of such services would be to assist such staff to obtain alternative employment by improving their skills in areas such as resume writing and interviewing.

We would appreciate the opportunity to discuss this matter further with a view to reaching agreement on a broad framework for the provision of such services.

A handwritten signature in black ink, appearing to read 'Rod McDonald', written over a circular stamp.

Rod McDonald
Group Manager, Corporate Human Resources



8 April 2004

Mr B Baulk
CEPU
139-155 Queensberry Street
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Dear Mr Baulk,

The purpose of this advice is to outline understandings that relate to the EBA6 items specifically relating to Mail and Parcel Processing:

1. Mail Processing Structural review

Both parties have agreed to commence discussions on the Joint Working Groups Report on this Review as a matter of priority and to complete the Review as soon as possible.

Action has been taken to implement the JWP's recommendations relating to the reclassification of supervisory levels in Victorian Country Mail Centres.

2. Joint Best Practice Examination

The parties have agreed that this exercise will commence as soon as practicable after the parties reach agreement on EBA6 on the very specific understanding that the exercise will not be used as a reason by any party for delaying/deferring HPO/Team related initiatives/proposals.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'P Rogan'.

P Rogan
for General Manager
Mail & Networks Division

Tel: 9204 7413
Fax: 9203 3874



26 May 2004

Mr B. Bauk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Attention: Mr N Bretag

Dear Mr Bauk,

Further to our discussions earlier today on EBA6, the purpose of this advice is to confirm our agreement that the EBA6 clause on Technical Maintenance relates to current equipment and that in respect of maintenance arrangements for new core mail processing equipment that Post acquires, we would follow the same sort of process that was used to determine maintenance agreements for the new Parcel equipment.

Your early written confirmation of this agreement would be appreciated.

Yours sincerely

A handwritten signature in dark ink, appearing to be "P Rogan".

P Rogan
for General Manager
Mails and Network Division

Tel: (03) 9204 7413
Fax: (03) 9203 3874

27 May 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000

TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529

www.auspost.com.au

Dear Mr Baulk,

DISPUTE RESOLUTION

In relation to Clause 12.3(iv) covering Dispute Resolution under EBA6 it is recognised that either party may have some threshold or priority concerns it wishes to raise with the AIRC at the commencement of conciliation proceedings.

Following our negotiations it is jointly understood that both parties will:

- Co-operate expeditiously and in good faith to enable prompt consideration of issues by the AIRC.
- Whilst reserving their position, give full and prompt consideration to any recommendation made by the Commission.

These arrangements would apply in any application relating to adherence to a status quo situation pending further consideration/resolution of the matter.

It is recognised that such situations need to be addressed on a case-by-case basis.

Yours sincerely


David H Barker



2 June 2004

Our ref: 1304-00

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529
www.auspost.com.au

Mr. B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr. Baulk

I refer to recent EBA discussions in which the issue was raised concerning the circumstances in which additional hours worked by a part-time employee would be recognised for sick leave payment purposes.

Australia Post's position on the circumstances in which additional hours worked by a part-time employee would be recognised for sick leave payment purposes is set out in the attachment. It should be noted that we are suggesting the joint development of appropriate guidelines to Managers.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'D H Barker', written over the printed name.

D H Barker
GROUP EXECUTIVE OFFICER

AUSTRALIA POST POSITION ON THE RECOGNITION OF ADDITIONAL HOURS FOR SICK LEAVE PAYMENT PURPOSES

This paper sets out the Australia Post position on the appropriate payment for sick leave where additional hours would have been worked by a part time employee in the period when sick leave was taken.

Australia Post position is that where it is known in advance that an employee would have worked additional hours on a day, and an employee is sick on that day, the additional hours will be counted for sick leave payment and recording purposes, assuming sufficient credit exists.

Under this approach, additional hours will be paid during a period of sick leave if it is known in advance by the manager that the person would have worked additional hours in that period.

Examples of situations which would be covered under this approach include:

- Where the additional hours are set down in a roster and it is known in advance that the employee would have worked that roster.
- Where a part-time employee in a retail facility steps up to a full time position for a week to cover an employee on leave, and the part-time employee takes sick leave on a day in that week, the employee will be paid for the full time hours on that day.
- Where a part-time employee has moved to a position involving more hours.

The decision about payment whilst on sick leave will need to be made by the local Manager/Supervisor. It is suggested that the parties jointly develop guidelines for local Managers/Supervisors to help ensure that appropriate decisions are made.

All payments for sick leave are subject to the availability of sick leave credits.

In addition, it is suggested that the proposed guidelines will remind managers of the commitment in EBA, that rostered hours of a part-time position should match the established hours of the position and that part-time positions should be regularly monitored and adjusted to ensure this match is as close as reasonably possible.



21 July 2004

Mr. B. Baulk
Divisional Secretary
CEPU
PO Box 472
Carlton South VIC 2053

HEADQUARTERS

GPO BOX 1777
MELBOURNE VIC 3001
321 EXHIBITION STREET
MELBOURNE VICTORIA

Dear Mr. Baulk

I refer to your letter (ref AP 04/77 2.1/405) dated 7 June 2004 concerning a proposed training program for training courses for union representatives.

Australia Post agrees that training courses conducted in accordance with the proposed training program attached to your letter under reference would meet the requirements of clause 11.4.1 of the Australia Post General Conditions of Employment Award 1999 in relation to paid leave to attend short courses which are specifically directed towards effective dispute resolution.

A copy of this advice together with a copy of the proposed training program will be distributed to all Australia Post Divisions.

Yours sincerely

A handwritten signature in dark ink, appearing to read "David F. Charleston", with a long horizontal flourish extending to the right.

David F. Charleston
For GROUP MANAGER
CORPORATE HUMAN RESOURCES



23 July 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Dear Mr Baulk,

I refer to the item in our letter of 16 July '04 concerning Teams.

Given the discussions on 20 and 22 July '04 relating to the concerns that this letter had generated in States still to go through the Teams exercise, we have included an additional dot point in Clause 9.14(v) to make it clear that in committing to the initial team design, staff need to be aware of the processes that will be followed to make changes over time to that initial design.

In relation to Dandenong Letters Centre, there is already a process in place in relation to the Staffing Review. Consultation on this exercise has been on-going and we have offered to provide the union at the National level with a high level briefing on the Review.

In terms of SWLF issues, we remain committed to having appropriate local mechanisms to provide opportunities for job variety in accordance with our advice of 16 July 2004. We would suggest establishing a facility-based process to access existing mechanisms and discuss what refinement/variations would be appropriate.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'P Rogan', written over a horizontal line.

P Rogan
for General Manager
Mails and Network Division

Tel: (03) 9204 7413
Fax: (03) 9203 3874



23 July 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Dear Mr Baulk,

Purpose of this advice is to outline understandings concerning the Review of Delivery in EBA6.

The parties have agreed that this exercise should be commenced as soon as practicable and be completed within six months of commencement. It has been agreed by Australia Post and the union that this exercise will not be used as a reason to delay/defer Delivery changes/initiatives.

Issues/disputes about Delivery matters which arise whilst this Review is taking place should be handled in accordance with the Employee Consultation and Dispute Resolution Clause in EBA6 taking account of other relevant provisions in EBA6.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'P Rogan', written over a horizontal line.

P Rogan
for **General Manager**
Mails and Network Division

Tel: (03) 9204 7413
Fax: (03) 9203 3874



HEADQUARTERS

GPO BOX 17770
MELBOURNE VIC 3001

321 EXHIBITION STREET
MELBOURNE VICTORIA

26 July 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Baulk,

I refer to our recent discussions concerning the issues of the Relief Guidelines for our Retail and Delivery Operations.

The purpose of this note is to confirm Post's position that prompt action should be taken to fill vacant relief positions unless the position is under review.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'R McDonald', written over the printed name.

R McDonald
Group Manager
Corporate Human Resources



26 July 2004

Mr B Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529
www.auspost.com.au

Dear Mr Baulk

DISCIPLINE ACTION -- AUR

Where Australia Post is considering action under the Employee Conduct and Discipline Process which relates to an AUR performing his/her role as a union representative, Australia Post will ensure that as far as practicable the relevant Branch Secretary is advised prior to any advice to the employee.

Yours sincerely

A handwritten signature in dark ink, appearing to read "DHB", written over the typed name.

D. H. Barker
GROUP EXECUTIVE OFFICER

24



26 July 2004

Mr Brian Bauk
Divisional Secretary
CEPU Communications Division
PO Box 472
CARLTON SOUTH VIC 3053

HEADQUARTERS

GPO BOX 1777
MELBOURNE VIC 3001
CORPORATE HUMAN RESOURCES
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE +61 3 9204 7411
FACSIMILE +61 3 9204 7255
WWW.AUSPOST.COM.AU

Dear Brian

EBA6 Negotiations: Fixed-Term Employees (Clause 6.8 – extension of fixed-term engagement)

We refer to the issues raised with respect to the current wording of clause 6.8, which relates to the period of time that Australia Post can engage fixed-term employees.

It is our understanding that the issue relates to the possibility that the 2-year limitation on fixed-term arrangements can somehow be misapplied by Australia Post.

In particular, it has been raised that the words relating to fixed-term employees under EBA5 (refer clause 6.7) specifically referred to the right of the parties to take disputes about the extension of fixed-term engagement into arbitration. It has been queried as to why this right has been removed.

It is Australia Post's position that the dispute resolution procedures under the current draft of EBA6 are much more extensive than the dispute resolution procedures in EBA5.

Because the EBA5 dispute resolution clause was much narrower, unless there was a specific reference in clause 6.7 of the right to take any concerns about an extension to the period of engagement of a fixed-term employee to the AIRC, then there may not have been a right for the AIRC to resolve such issues.

However, because the current EBA6 draft contains clear dispute resolution rights, providing the AIRC with additional decision making power, placing details of such a right in clause 6.8 is unnecessary. In fact, not only is it unnecessary, it actually has the potential to limit the rights in relation to potential disputes regarding the extension of fixed-term periods of employment.

That means that, under the current draft of EBA6, if the union has any concerns with the appointment of fixed-term employees, then the matter can be taken to the AIRC.

For these reasons we are of the view that the current clause 6.8 in relation to fixed-term employees is appropriate and fair in the circumstances.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rod McDonald', written over the 'Yours sincerely' text.

Rod McDonald
Group Manager
CORPORATE HUMAN RESOURCES

WITHOUT PREJUDICE



27 July 2004

Mr Brian Baulk
Divisional Secretary
Communications Electrical Plumbing Union
139 Queensberry Street
Carlton South Vic 3053

HEADQUARTERS

GPO BOX 1777
MELBOURNE VIC 3001
CORPORATE HUMAN RESOURCES
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE +61 3 9204 7411
FACSIMILE +61 3 9204 7255
WWW.AUSPOST.COM.AU

Dear Mr. Baulk

Work/Life Balance

This letter is to confirm our agreements reached in relation to the issues associated with Work/Life balance, such as:

- 48/52
- Conversion from full-time to part-time arrangements (including return to work following maternity leave)
- Job sharing
- Time off in lieu of overtime

Australia Post will continue to encourage Work/Life balance initiatives and enhance communication to managers to further facilitate the implementation of such initiatives.

Continued discussions will take place between Australia Post and the union regarding the application of the flexibilities options available to ensure that such options achieve the right balance between operational and individual needs. These discussions will include the circumstances surrounding the right to return to part-time work following maternity leave.

Yours sincerely

Rod McDonald
Group Manager, Corporate Human Resources



11 August 2004

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

Mr B Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529
www.auspost.com.au

Dear Mr Baulk

I refer to your letter dated 6 August 2004 and to our further discussions today.

We note your comments in relation to areas of concern. Set out below is our position in relation to the matters covered in these discussions:

1. EBA Document. The tidying up of the EBA has occurred (subject to scope for a reprint and formatting in a final version that would be distributed in a ballot – soft copies of the final clean version of the document which is dated 11 August and the associated letters have been sent separately).
2. Associated Letters. We outlined our position in relation to that in a consolidated format on 27 July 2004. Aside from the issues of superannuation, and dedicated delivery (which will be addressed in separate letters), we believe all relevant issues have been covered.
3. Review Terms of Reference. As discussed, Post is committed to establishing these reviews in a genuine way which produces a productive outcome. We are willing to commence early discussions on how this is best achieved over the coming weeks without waiting for the certification of the EBA document by the AIRC.
4. Post Logistics. Parallel discussions are occurring today on this matter and we share your objective to finalising that agreement.
5. Parcels Matters. We stand by existing commitments and outcomes that have emerged from these exercises including AIRC outcomes and point out that these continue with the operation of EBA6 and that

any issues arising would then become subject to the consultation and dispute settlement processes in EBA6.

Whilst we have other options available to us let me reiterate that our preferred position is to finalise the EBA. This will also pave the way for us to explore ways of improving on-going relationships between Post and the unions.

Yours sincerely



David H Barker



12 August 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au


Dear Mr Baulk,

Further to our discussions earlier today, this advice provides further details on Post's position on part time dedicated delivery arrangements:

- This change will not have any adverse impact on job security assurances in EBA6 for delivery staff.
- No existing full-time delivery PDO will be forced into a part-time position.
- No existing part-time PDO will be forced into these dedicated delivery roles (it is voluntary).
- Post has included in the EBA an assurance that changes such as this will not impact on the PDO salary or work value.
- Full consultation will occur in any Delivery Centres that are affected.
- These positions will have a standard ordinary daily hours of duty of 5 hours less - this position does not however prevent these staff working beyond 5 hours on an ad hoc basis to cover business fluctuations.
- The reference in Clause 9.25 to 2.8% equates to 400 part-time positions, with daily hours of 5. I would also take the opportunity to clarify that this percentage relates to part-time dedicated outdoor round delivery arrangements. It does not encompass dedicated van delivery/pick up arrangements.
- The main area where such arrangements will be used, will be in specific outer areas of our large Delivery Centres (>100 rounds), where there would be business benefits in reducing the level of dead running in travelling to and from the round - such reductions will have significant OHS advantages and reduce the risk of the more serious motor cycle accidents.

- Our current expectation is that we will have about 14 of these large Delivery Centres in our future network.

Yours sincerely

A handwritten signature in black ink, appearing to be 'P Rogan', with a stylized, flowing script.

P Rogan
for **General Manager**
Mails and Network Division

Tel: (03) 9204 7413
Fax: (03) 9203 3874

WITHOUT PREJUDICE

12 August 2004

COPY

Mr Brian Baulk
Divisional Secretary
Communications Electrical Plumbing Union
139 Queensberry Street
Carlton South Vic 3053

HEADQUARTERS

GPO BOX 1777
MELBOURNE VIC 3001
CORPORATE HUMAN RESOURCES
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE +61 3 9204 7411
FACSIMILE +61 3 9204 7255
WWW.AUSPOST.COM.AU

Dear Mr Baulk

Superannuation Choice of Fund/Financial Advice

I refer to discussions on the union view that access to choice of fund (through the Superannuation Legislation Amendment (Choice of Superannuation Funds) Act 2003) should be limited through an EBA6 provision and the associated issue of access to financial planning advice.

Initially I would like to stress that we have a common objective in ensuring that staff fully understand the benefits associated with APSS membership and are properly equipped to make decisions associated with superannuation scheme membership. In this context specific initiatives are already being developed to address this objective.

Superannuation Communication

A specific superannuation communication strategy is being developed under the POSTplus badge. POSTplus stands for:

- P = pay;
- L = leave;
- U = ultra benefits; and
- S = superannuation

and is directed at assisting staff better understand all the benefits associated with Australia Post employment.

From a superannuation perspective the objective of this communication program will be to:

- position superannuation as a part of the overall employment package; and
- help staff better understand the APSS scheme and in particular the benefits of this scheme.

Through a full understanding of the benefits of APSS membership staff will be better equipped to assess other superannuation fund offerings and make a considered decision.

Financial Education

Within the context of an 'ultra benefit', we are giving consideration to how we can assist staff in general financial education so as to:

1. Enhance the benefits associated with the total employment offer provided by Post.
2. Focus staff attention on the benefits and long-term financial security aspects of APSS.

The financial education program will, through a better understanding of the benefits of APSS, similarly assist staff to better make decisions on comparative superannuation offerings.

Choice of fund Legislation

As previously advised Australia Post does not believe that it would be appropriate to limit staff access to choice of fund flowing from recent legislation. Briefly put

- the effect of this would be to remove an option that already exists for APSS members; and
- there would be some sensitivity around Australia Post, as one of the largest government business enterprises and employers, preventing choice of fund when legislation introducing this has only been recently passed by the Parliament.

As outlined above both the superannuation communication and the financial education programs are directed at ensuring that staff make are able to make informed decisions in relation to comparative superannuation offerings.

Financial Advice

As discussed we believe there would be a range of practical problems associated with providing staff access to financial planning advice. Staff should be able to exercise choice as to which financial provider best meets their needs.

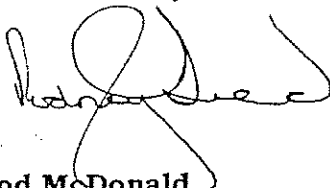
However, we do see merit in encouraging staff to seek appropriate advice if they were considering exercising choice to leave APSS.

In this respect, we are prepared to discuss a proposal with you whereby Australia Post would agree to provide \$50 towards the cost of a staff member getting financial advice on Superannuation Choice options provided:

- it is with a licensed financial provider of their choice
- there is an appropriate receipt
- it could be taken up once by a staff member over the next three years.

We would be happy to discuss this proposal further with you and the most effective way in which it might operate.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rod McDonald', with a large, stylized loop at the end.

Rod McDonald

Group Manager, Corporate Human Resources

WITHOUT PREJUDICE

20 August 2004

Mr G Combet
Secretary
Australian Council of Trade Unions
393 Swanston Street
MELBOURNE VIC 3000

Dear Mr Combet

AUSTRALIA POST ENTERPRISE AGREEMENT

I refer to our discussions held yesterday and the propositions put forward by the ACTU and CEPU as a basis on which the latter could give in-principle agreement to EBA6 (it is assumed that this is also the position of the CPSU, ie it relates to the single bargaining unit).

Set out below is the Australia Post position conditional on receiving such in-principle agreement.

1. Dedicated Delivery

Australia Post agrees to the inclusion in Clause 9.25 of the words "Employee consultation and dispute settlement provisions would apply to part-time dedicated delivery arrangements in accordance with this agreement".

2. Duration of Agreement

Australia Post is prepared to provide greater certainty to the expiry date of EBA6 consistent with the proposal put forward by the ACTU viz 31 December 2006. This would not alter the time periods for the remaining pay instalments from date of certification. The position on date of expiry is conditional on the parties working expeditiously through the EBA consultation/ballot process to achieve an early date of certification.

3. Franchising

In relation to transmission of business and its application to a corporate outlet converted to a franchise in accordance with the terms of the current draft EBA6 document, the Postshop Franchise Agreement requires that the

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000

TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529

www.auspost.com.au

Franchisee acknowledges and warrants that it (the Franchisee) is aware of the terms and conditions of Australia Post's awards and agreements, is aware of the provisions of section 149 and 170MB of the Workplace Relations Act 1996 (Cth), has made all due enquiries in relation to the application of the applicable awards and agreements and will ensure that all of its employees are employed in accordance with the terms and conditions provided for by the applicable awards and agreements.

4. EBA Briefing Process

It is understood that aside from the joint management/union briefing of employees, the union want time for a separate meeting with their members. We believe this can be accommodated within the framework of our briefing process for previous EBAs, eg reasonable time allocated after the joint briefing process with both elements scheduled to have as little impact as possible on our operations. The specific arrangements may vary from State to State and would be subject of consultation at that level.

The issue was raised that special combined off-site briefings may be required for delivery staff (in major metropolitan areas). We consider on-site briefings at delivery centres best enables appropriate coverage of all staff with different working arrangements, for example night sorters. We are prepared to co-operate with scheduling this briefing process to make this manageable and accessible to key union representatives.

Specifically, we believe this expanded scheduling will enable greater coverage of delivery centres by key union people. However, there would remain scope for combined meetings as an option subject to further discussions around the following parameters:

- having combined meetings comprising small to medium physically adjacent delivery centres;
- recognising that attendance would be voluntary and that travel and meeting duration may be variable, payment equivalent to 2 hours at ordinary rates be made to attendees;
- scheduling these meetings after normal work on an operationally light day;
- including scope for an initial joint briefing element as well as time for the union briefing.

It should be stressed that union access to the briefing process is conditional on in-principle agreement and support from the union representatives conducting the briefing. Should this not occur or be maintained such representatives would not have access to such an arrangement.

5. Union Access

No change is proposed to our existing policy on access (the above process being consistent with it in allowing management discretion to grant access beyond the WRA provisions to facilitate change). The access arrangements

relating to induction briefings are confirmed as set out in Attachment A to the agreement.

6. Labour Hire Companies

It is agreed that Post will provide details of its preferred supplier list of companies to the union and will also -

- brief companies on industrial coverage within Post;
- provide such companies with details of relevant Post awards and certified agreements.

7. Line Haul

The details of the Australia Post position are covered in a separate letter to the CEPU (copy attached).

8. Superannuation

It is agreed, further to our letter dated 12 August 2004, that we will expedite more detailed discussions on means of advising staff on financial issues, including choice. It was noted that the ACTU/union may itself be able to provide guidance to employees on sources of independent advice.

9. Post Logistics

It is agreed that these separate negotiations relating to the Post Logistics Agreement should be finalised between the parties as quickly as possible – a further meeting is scheduled for 20 August. Resolution of EBA6 is not, however, in anyway contingent on the Post Logistics matter.

10. EBA Implementation and Future Relationships

It is accepted that the parties should agree on ways to ensure a high level of commitment to the terms and spirit of EBA6 during its operation. We propose to commence that process with senior management involvement and also explore with the union scope for involvement of the AIRC in discussions under Section 132 shortly after certification (to facilitate understanding and effective implementation of processes including consultation and dispute settlement).

11. EBA7

We agree to the inclusion of appropriate words in EBA6 committing the parties to commence discussions on EBA7 three months before the expiry of EBA6.

12. In-Principle Agreement

Australia Post believes the above fully and reasonably responds to the issues raised by the ACTU and the union and requests formal written confirmation from the unions (bargaining unit) that EBA6 and associated letters are now agreed in-principle. We believe such confirmation should be immediate given the extension of time we have granted from the position we put forward late last week.

Yours sincerely



David H Barker

cc – Mr B Baulk, CEPU



24 August 2004

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529
www.auspost.com.au

Mr B Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Baulk

FRANCHISING IMPLEMENTATION

The purpose of this letter is to confirm advice in the meeting between Australia Post and the ACTU/CEPU held on 20 August. The union sought agreement from Australia Post that they would have access to induction processes for employees of franchisees. We indicated that we would not be in a position to grant rights of access in relation to people who will not be our employees. However, we agreed as part of the consultation on franchising that Post would provide advice to the union on induction and training requirements and arrangements for staff of franchisees (in so far as these are specified or conducted by Post).

In addition, we agreed that we would provide advice on any LPO buy backs intended for establishment as franchisees. This information would be factual in nature. We indicated that it would be up to the union to seek access to employees and coverage of such employees with the franchisee.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David H Barker', written over a horizontal line.

David H Barker

WITHOUT PREJUDICE



25 August 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Dear Mr Baulk,

Further to today's discussions with Mr. Keane, this letter outlines Australia Post's proposals for interstate linehaul drivers in the context of EBA6.

NEW DRIVERS

Remuneration for **new drivers** will be based on trip payments which have regard to new trip times, standard salary, tonnage, shift penalties and overtime. No linehaul allowance would apply to trip payments for new drivers.

These trip payments would be increased in line with EBA increases.

CURRENT DRIVERS

Current linehaul drivers includes drivers who are on the permanent linehaul relief. Drivers from the general transport area who provide ad hoc or intermittent relief are not covered by the options proposed for current linehaul drivers. The latter drivers would be regarded as new drivers on implementation of new arrangements.

Remuneration for **current drivers** will be based on one of two options:

Option 1

Linehaul trip payments would be frozen at current EBA5 levels until overtaken by the new trip payments applicable to new drivers.

We have given further consideration to the most appropriate method of implementing this option and have concluded that implementation would involve –

- (i) immediate implementation of the new trip times;
- (ii) extending normal EBA increases to, including the initial 4% increase to base salary, penalties, overtime and tonnage allowance for linehaul drivers;
- (iii) progressively adjusting the linehaul allowance down as these other payments are increased by EBA increases to ensure that the trip payments for these drivers are kept at EBA5 levels until that rate is overtaken by the new trip

payments for new drivers at which time payment of a linehaul allowance for that particular run ceases altogether;

- (iv) given that option involves immediate implementation of the new trip times, some linehaul allowance payments may need to be initially increased or even introduced, to ensure that there is no reduction in current trip payments on any run.

The approach –

- is easier to implement from an administrative point of view;
- addresses the issues raised by the union re payment during recreation leave;
- would mean that drivers on yard duties would receive normal salary rates.

Option 2

Trip payments which have regard to new trip times, standard salary, tonnage, shift penalties and overtime. This is the same as for new drivers. However linehaul allowance at EBA 5 rates pre 9 August 2004 will continue to be paid for relevant interstate trips to current drivers.

The trip payments would be increased in line with EBA increases except for the linehaul allowance payments which will be frozen at EBA 5 rates.

Option 2 also includes the introduction of salary parity rates to linehaul drivers based in South Australia and Victoria who currently receive standard Postal Transport Officer salary.

The arrangements under Option 2 would be implemented for payment purposes from the date of effect of EBA 6.

SUPERANNUATION

We are prepared to accept under both Option 1 and 2 that the Linehaul Allowance will count as salary for superannuation purpose **on retirement** for current Linehaul drivers. On this basis, the EBA5 linehaul allowance rates will be treated as if they had received standard EBA increases when determining final average salary for superannuation purposes on the retirement of current drivers – this will involve notionally updating these rates to reflect EBA increases. Any increases in linehaul allowances, or new allowances based on (iv) above would not be taken into account for superannuation.

NATIONAL POSITION

Only one of the options is available to current drivers, whichever is preferred by the union and linehaul drivers. In other words, a national position is required on future pay arrangements for current drivers as Australia Post would not agree to different pay arrangements applying in different linehaul states.

If agreement is not reached on the remuneration arrangements for new drivers and/or current drivers, both the CEPU and Australia Post are to agree that the non agreed remuneration arrangements will be determined by the AIRC under Section 111AA of the Workplace Relations Act.

The pay arrangements in Option 1 above, would remain in place whilst the matter is arbitrated, unless the parties agree to the immediate implementation of the new trip times in which case the Option 2 arrangements would be put in place on an interim basis pending final determination of appropriate linehaul remuneration arrangements.

If the parties are unable to reach agreement, Australia Post's proposals would be withdrawn and we reserve the right to pursue different arrangements in arbitration.³

1992 LINEHAUL AGREEMENT

Our proposals will involve the termination of this agreement. It would be replaced either by another certified agreement or by an arbitrated decision of the AIRC.

BRIEFING PROCESS

The union would be given reasonable paid access time to discuss our proposals with the drivers as part of the EBA6 briefing process.

Post and the union would jointly prepare material to explain the impact of options 1 and 2.

Yours sincerely



P. Rogan
for **GENERAL MANAGER**
MAIL & NETWORKS DIVISION



2 September 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

HUMAN RESOURCES GROUP
MAIL AND NETWORKS DIVISION

GPO BOX 1777
MELBOURNE VIC 3001

LEVEL 5, 321 EXHIBITION STREET
MELBOURNE VIC 3001

www.auspost.com.au

Attention: Ms S Herrington

Dear Mr Baulk,

Further to earlier discussions on the timing of the EBA6 Transport Structure Review, the purpose of this advice is to confirm that our objective will be to complete this exercise within 6 months of its commencement.

Yours sincerely

A handwritten signature in black ink, appearing to be 'P Rogan', written over a horizontal line.

P Rogan
for **General Manager**
Mails and Network Division

Tel: (03) 9204 7413
Fax: (03) 9203 3874



8 September 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529
www.auspost.com.au

Dear Mr Baulk

EBA 6 Negotiations

I refer to our discussions on Monday 6 September relating to the EBA6 document that was considered by the CEPU Divisional Executive on Friday 3 September (version dated 2 September, sent to the union by Catherine Walsh).

As indicated in the discussions on Monday, Australia Post remains committed to the content of that document as a basis for Agreement with the CEPU, but considers inclusion of some elements would put certification by AIRC at risk given the decision of the High Court in the 'Electrolux' Case handed down on 2 September.

Australia Post's position, which is confirmed in this letter is that, in consultation with the union, we have further amended the Agreement to have some elements either further placed in context in the agreement as pertaining to the relationship between employer and employees or, where this is not possible, covered in another form of undertaking which will have the same effect during the life of the Agreement.

David Barker
GROUP EXECUTIVE OFFICER



8 September 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000

TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529

www.auspost.com.au

Dear Mr Baulk

EBA6 Negotiations: Union Delegates Charter

I refer to discussions held between the parties on Monday 6 September 2004 regarding the above matter, and set out below our joint position on this issue.

The parties to the Agreement acknowledge that the document referred to in clause 3.5 of the Australia Post Enterprise Agreement 2004-2006 ("EBA6") as the 'existing guidelines for workplace representation' is a reference to the "Guidelines on Role, Rights, Responsibilities and Support for Union Delegates" ("the Guidelines"). A copy of the Guidelines is attached to this letter.

Australia Post and the relevant unions agree that the Guidelines will apply and be abided by for the life of EBA6.

The parties to the Agreement also agree that a copy of the Guidelines will be provided to the Australian Industrial Relations Commission at the time of certification of EBA6.

A handwritten signature in black ink, appearing to read 'David Barker'.

David Barker
GROUP EXECUTIVE OFFICER

Att.

Guidelines on role, rights, responsibilities and support for union delegates

Australia Post recognises the role unions play in the workplace and the right of union delegates to represent union members in the workplace.

These guidelines set out the role, rights and responsibilities expected of union delegates and the support provided for union delegates by Australia Post.

Role

The role of union delegates is to represent the collective and individual interests of union members. Some examples of specific functions of union delegates include:

- understanding awards and agreement conditions and representing employee issues concerning the application of the awards and agreement conditions;
- representing union members' local grievances to local supervisors and managers;
- conducting discussions with local management to resolve local grievances;
- participating in joint union-management consultative processes;
- meeting, communicating with and interviewing members to ascertain issues; and
- explaining to local members regarding their rights and entitlements [award conditions, HR policy, OH&S policy etc].

Rights/Entitlements

Union delegates shall be entitled to the following:

- the right to formal recognition by management that endorsed union delegates represent union members in the workplace;
- the right to be treated fairly and to perform their role as union delegate without any discrimination in their employment;

- the right during working hours to perform delegate duties subject to the following principles:
 - such activities must not disrupt operations;
 - the union delegate must not leave his or her work station and must not cease normal duties without prior discussion and agreement with the designated manager or supervisor;
 - agreement won't be withheld unreasonably, but it is expected that to the extent practicable, the role of the union delegate will be done in the delegate's own time;
 - the period of work time proposed to undertake delegate duties must be discussed and agreed with the delegate's workplace manager in each instance. Subject to operational requirements, a reasonable period of time will normally be allowed which may vary depending on the issue and the seriousness of it. As a guide, 15 minutes of paid time per shift may be used for delegate duties. However, the actual period may be shorter but where the issue is serious, longer periods may be appropriate.
- the right to gather appropriate information that is relevant to a member's issue;
- the right to represent local workplace grievances of union members and support the member where requested;
- the right to interview a member to ascertain the facts about an issue;
- the right to consult with management on local workplace matters affecting the interests of union members consistent with these guidelines;
- the right to meet with union member(s) during their own time (ie during lunch / tea breaks and before / after normal shift times);
- the right to be paid their normal hourly rates for any time discussed and agreed with management that is spent during ordinary working hours in the performance of their duties as union delegates;
- the right to paid leave to attend union courses (which include courses for union delegate training), which conform to the provisions of clause 11.4 of the Australia Post General Conditions of Employment Award (1999). This right is subject to prior approval of the workplace manager and the operating requirements of Australia Post;
- the entitlement to paid leave where summoned to appear as a witness in proceedings under the Workplace Relations Act 1996. The leave shall only be for such time as the delegate is necessarily absent from duty

attending as a witness. The union delegate must advise the facility manager who will advise the relevant human resources manager of such requirements.

- the right to place union authorised information on a designated notice board located in the workplace. Australia Post retains the right to reject and remove any material that is not in relation to agreements or award related matters or that has not been properly authorised by the relevant State Secretary of the union.

Responsibilities

In turn a union delegate has an obligation to:

- comply with awards and agreements reached between Australia Post and the union, including dispute resolution procedures;
- not leave his or her work station to perform any delegate duty prior to discussing and reaching agreement with his or her supervisor or workplace manager;
- conduct himself or herself at all times consistent with the standards described in the code of ethics;
- represent issues raised by union members initially with the local supervisor / manager, unless it would be inappropriate in the circumstances, in which case the issue would be represented to the next level of manager;
- attend to duty and carry out instructions in the same manner as any other employee, subject to time off the job that has been agreed for delegate's duties;
- union delegates are also encouraged to understand employment conditions, OH&S requirements and Australia Post's harassment, equal employment opportunity, rehabilitation and other policies as these apply to the workplace;

Support

Australia Post shall provide the following support for union delegates:

- Attendance at an industrial tribunal
 - participation in or attendance at AIRC proceedings other than as a witness would normally be approved on a leave without pay basis, subject to operational requirements;
 - Australia Post may provide for paid time if, in the particular circumstances, there is prior request from the union for payment

for a delegate attending AIRC proceedings and where Australia Post considers that this will assist in resolution of a matter;

- where a union delegate is requested by the union to participate in or attend an AIRC proceeding during normal rostered working hours, the union delegate must advise and seek approval in advance from the facility manager or from the facility manager's authorised delegate.
- Access to new employees / members
 - within a framework of Australia Post's policy on union membership, which recognises employee rights to choose to belong to or not to belong to a union, union delegates will be allowed to address local workplace induction programs subject to the conditions set out in Australia Post's policy for union officials addressing induction programs;
- Access to communication facilities
 - the extent of access arrangements to communications equipment such as phone, fax and e-mail and photocopying facilities will be determined at the business unit level;
 - a union delegate's usage of Australia Post's IT, communications and photocopying facilities must not be excessive and must comply with Australia Post's policies.
- Participation in the union
 - where a union delegate seeks to be absent from work to participate in the operation of the union, leave without pay may be granted subject to operational requirements;
 - paid time off is not available for union delegates to participate in the operation of the union.
- Leave to work with the union
 - an employee may be granted limited leave without pay for employment as an elected full time official with a union, in accordance with Australia Post's policy on leave for employees working with the union.

Operation of guidelines

The operation of these guidelines at individual work places will be subject to union delegates acting in accordance with these guidelines and relevant Australia Post's policies.

The parties at the workplace level recognise that effective and reasonable working arrangements should apply to the structure and operation of the delegate's role in the workplace.

If the parties are unable to agree on appropriate operational arrangements for workplace delegates, Australia Post reserves the right to limit the application of the guidelines, or if this is not practicable, not apply provisions of the guidelines within a particular workplace.



8 September 2004

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529

www.auspost.com.au

Dear Mr Baulk

EBA 6 Negotiations: Conversion Policy

I refer to discussions with Australia Post regarding EBA6 on Monday 6 September 2004.

The parties to the Agreement acknowledge that the reference in clause 9/11 regarding the existing retail conversion policy relates to the current Retail Conversion Policy – a copy of which is attached to this letter. Australia Post confirms its commitment to this policy for the life of EBA6.

A copy of this letter will be provided to the Australian Industrial relations Commission at the time of certification.

David Barker
GROUP EXECUTIVE OFFICER

Att.

Retail Conversion Policy

The conversion of any unprofitable Corporate Post Office to a Licensed Post Office system of operation will be undertaken in consultation with the union at state level. The union and staff at all Corporate Offices will be involved in the drive to improve profitability and avenues to make each Office profitable will be explored before conversion action is taken.

Change from Corporate Post Office to Licensed Post Office

A Corporate Office which is trading unprofitably in a metropolitan or large provincial area where delivery staff can be relocated will be considered for conversion when the total workload for counter staff at that Office requires three FTEs or fewer.

A Corporate Office which is trading unprofitably in a country town or small city will be considered for conversion when the total workload for all Postal business at that Office (excluding cleaners and contractors) requires three FTEs or fewer.

Change from Licensed Post Office to Corporate Post Office

A Licensed Post Office will be converted to a Corporate Office at the expiry of the five-year license period when the total workload for all Postal business at that Office (excluding cleaners and contractors but including street delivery) requires six FTEs or more, provided that the Office has a demonstrated capacity to trade profitably as a Corporate Office.

8 September 2004

Mr B. Baulk
Divisional Secretary
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

GROUP EXECUTIVE OFFICER
OFFICE OF THE MANAGING DIRECTOR

GPO BOX 1777
MELBOURNE VIC 3000
321 EXHIBITION STREET
MELBOURNE VICTORIA 3000
TELEPHONE 03 9204 7410
FACSIMILE 03 9204 7529

www.auspost.com.au

Dear Mr Baulk

EBA 6 Negotiations: Australia Post Franchise Agreement

I refer to your discussions with Australia Post regarding EBA6 on Monday 6 September 2004.

As agreed during those discussions, Australia Post has set out below its undertaking with respect to ensuring franchisees are aware of their obligations with respect to transmission of business arrangements.

Therefore:

"Australia Post commits that it will make franchisees aware of the terms and conditions of the relevant Australia Post awards and certified agreements and will make them aware of the transmission of business provisions within the *Workplace Relations Act 1996 (Cth)*".

The parties to the Agreement also agree that this letter will be provided to the Australian Industrial Relations Commission at the time of certification of EBA6.



David Barker
GROUP EXECUTIVE OFFICER

