



People & Communities
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Level 20, 111 Bridge Street
Melbourne VIC 3000, Australia

24 August 2010

Mr Ian Bryant
Assistant Divisional Secretary
CEPU – Communications Division
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Bryant

Australia Post Fair Work Agreement and Commitments

I refer to our recent discussions in relation to the above and am now providing confirmation of the matters discussed, and our commitments to the CEPU and staff incidental to the Australia Post Fair Work Agreement 2010 (APFWA)

RRR Outplacement Services

Australia Post will provide appropriate outplacement services in redundancy situations to which the RRR Agreement applies during the term of APFWA. The outplacement services provided will reflect the arrangements that were put in place as part of the recent Head Office review and will include the provision of independent, professional and personalised support to assist affected employees:

- manage the change in job circumstances, communicate the news to other parties and prepare for a job search;
- in development of a results focused résumé, current interview techniques, effective networking skills, knowledge of the sources of jobs and the current market;
- review, reflect and decide on their broader career, through coaching and use of career and psychometric assessments, where appropriate;
- who may wish to access outplacement services outside their workplace;
- in finding an independent financial advisor.

Union Delegates Charter

Australia Post confirms that the **attached** Charter will be the basis upon which we will recognise the role of union delegates in Australia Post workplaces, as outlined in clause 44 (Role of Union Delegates) of the FWA.

Work Trials

During discussions with the CEPU about the national trial arrangements proposed for Separate Bundle Delivery in Postal Services, we agreed to set out generic procedures that would govern the conduct of trials in Postal Services where we were determining whether to proceed with a particular change in work process.

Accordingly, as part of this commitment we confirm the procedures to apply where we propose to trial new work arrangements in order to decide whether that process is viable.

When Australia Post proposes to conduct a trial, the following will occur:

1. Australia Post will consult at the appropriate level with the Relevant Principal Union prior to the trial commencing.
2. Australia Post will clearly outline the objective/s of the trial.
3. Australia Post will arrange facility briefing/s of affected employees (Briefing/s will be undertaken jointly with the Relevant Principal Union where required)
4. Australia Post will communicate the duration of the trial to all affected employees at relevant facilities
5. At the conclusion of the trial period, work arrangements will revert back to the original process unless the parties otherwise agree.
6. Where there is a need to extend a trial period, Australia Post will consult with the Relevant Principal Union about the extension period and about work arrangements during the extended trial period prior to any trial extension commencing
7. Australia Post will conduct an evaluation of the trial
8. Australia Post will communicate the results of the evaluation to the Relevant Principal Union and discuss the evaluation outcomes with employees involved in the trial
9. Where Australia Post concludes that a trial has been successful and warrants a permanent change in work arrangements, Australia Post will consult with the Relevant Principal Union and affected employees about the permanent implementation of proposed work arrangements.

Work Ready

We confirm that the Work Ready Process included as Attachment L in the APFWA reflects the current agreed process referred to in clause 21.13.3 of FWA. Once the supporting policy and documentation have been developed and agreed with the union, we confirm our commitment to an education program to ensure our staff and managers are well informed of their rights and obligations with respect to the Work Ready program. A range of initiatives are proposed which include face to face sessions, use of the Australia Post intranet site and internal publications, and the issuing of bulletins to all employees informing them of the Work Ready program, its application and what it means for them.

Additional Hours for Sick Leave Payment

We confirm that our position remains that where it is known in advance that an employee would have worked additional hours of 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 sick leave credits are available.

Procedures reflecting this position were developed and implemented following EBA6 and we confirm that they will continue to be operational.

Discipline Process – AURs

Where Australia Post is considering action under the ECDP 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 of the CEPU is advised prior to advice to the employee.

Part-time Dedicated Delivery

In relation to this issue, we confirm the following reflects our current position on part time dedicated delivery arrangements:

- 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;
- work of a part-time PDO will be classified at the same work level standard as a full-time PDO and will be paid at the PDO salary level (pro rated).

Superannuation Choice of Fund/Financial Advice

The current Postplus financial education program is well established and in place. Further, the choice of fund legislation is no longer new and access to financial advice on superannuation choice with a \$50 subsidy has now been replaced by a broader financial advice service comprising subsidised telephone financial advice and discounted personal financial advice through Mercer Wealth Solutions (MWS) as follows:

- telephone advice (which can include both general and limited personal advice) at a fixed cost of \$33, including GST (through an arrangement with MWS, Australia Post subsidises costs about that amount); and
- personal financial advice (detailed personal advice based on individual circumstances) at a rate negotiated between the user and MWS, but which has been negotiated by Australia Post to be at least 25% off MWS's normal retail rates.

These have been well received by staff and will continue.

Interstate Linehaul Remuneration

We proposed to capture the arrangements that currently apply to interstate linehaul drivers given that arrangements put into place in 2004/05 are now well established.

Drivers who commenced interstate linehaul duties after 30 June 2005 are paid their usual salary, tonnage allowance, any shift penalties and overtime rates attributable to agreed trip times for their rostered journey. These combined payments are colloquially known as "trip payments." An additional 30 minutes per shift is also paid for non-driving duties.

Drivers who were on an existing interstate linehaul roster on 30 June 2005 are paid in accordance with the above arrangements and are also eligible to receive an additional "linehaul allowance" depending on their rostered runs. This linehaul allowance amount is reviewed in accordance with the process described below and published in the Australia Post Human Resources Manual Rates of Pay Booklet.

The linehaul allowance was determined and frozen at an amount in 2005 and, as agreed between the CEPU and Australia Post, has been and will continue to be progressively reduced by enterprise agreement salary increases until it is phased out completely. This process will continue with the relevant APFWA salary increases.

The linehaul allowance will count as salary for superannuation purposes on retirement.

The 1992 Linehaul Agreement will cease to cover the relevant employees on approval of APFWA, with the preserved portions contained in APFWA.

Linehaul Overload arrangements

We confirm that Australia Post is agreeable to continuing with current overload arrangements whereby overloads of critical mail and parcels would be carried by Australia Post employees where capacity and sufficient product exists at both originating and terminating linehaul depots. Capacity includes a spare truck and driver at each end of a linehaul run without the need to call a driver in from a rostered day off (recall duty) to complete the run and the drivers are available having regard to Driver Fatigue Legislation. Where capacity at competitive prices does not exist, the overloads will continue to be carried by contractor.

Franchise Implementation and Information

Australia Post commits to the following arrangements:

- that as part of consultation on franchising it will 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 Australia Post;
- it will provide advice on any LPO buy backs intended for establishment as franchises and such advice will be factual in nature;
- it will notify franchisees of the relevant Australia Post awards and enterprise agreements, and of the transfer of business provisions of the *Fair Work Act 2009*.

Extension of NSW 30% Penalty Rate Eligibility (Transport, Mails and Delivery) Agreement

We confirm that the above memorandum of agreement dated 1997 is still being applied and will continue to apply for the term of the APFWA.

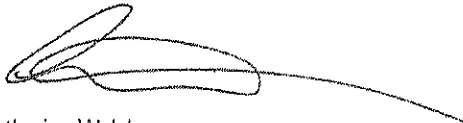
Implementation of ECDP outcome involving a transfer to another position of a lower classification

We confirm that for the term of APFWA we will review all disciplinary cases where there has been decision made to transfer an employee to another position of a lower classification (demotion) with a view to limiting the demotion to a period of 1 year. In some cases, it will be necessary to extend the period of demotion until a position at a classification prior to the demotion becomes available for the employee to transfer into. Employees seeking transfers on this basis will not be given priority ahead of staff who are already on the transfer list and/or who currently receive priority consideration when filling vacant positions.

We also confirm that during the period of demotion the employee will be paid the minimum salary of the classification 1 below their former position, even if they are transferred to a position of a lower classification. For example an employee who previously occupied a PDC2 position who is "demoted" to a SPDO3 position following a disciplinary inquiry, will be paid at the PDC1 salary level during the period of demotion.

We will incorporate these additional guidelines into the ECDP policy in due course.

Yours sincerely



Catherine Walsh
MANAGER, EMPLOYEE RELATIONS
PEOPLE & COMMUNITY

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 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 entitlement to paid leave where summoned to appear as a witness in proceedings under the Fair Work Act 2009. 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 Fair Work Australia 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 Fair Work Australia 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 a Fair Work Australia 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, a nominated union delegate or official of the relevant union 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, (which can include voluntary work or involving duties as the returning officer appointed under the rules 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 a trainee official for no longer than 2 years or for the term of office 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.



Public Complaints
Department
Attn: Mr Ian Bryant
Level 10, 111 Pitt Street
Melbourne, Victoria 3000

26 August 2010

National Divisional Secretary
CEPU – Communications Division
PO Box 472
CARLTON SOUTH VIC 3053
Attention: Mr Ian Bryant

Dear Mr Bryant

Australia Post Fair Work Agreement and Principal Determination clause 10 – Fitness for Duty

I refer to our recent discussions in relation to the above.

I confirm that once the Australia Post Fair Work Agreement has been approved by Fair Work Australia and legally commences, we will take the necessary steps to revoke clause 10 – Fitness for Duty, of the Principal Determination.

Yours sincerely

A handwritten signature in black ink, appearing to be "Catherine Walsh". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Catherine Walsh
MANAGER, EMPLOYEE RELATIONS