

24 July 2018

Mr Greg Rayner
CWU National Secretary
L 9 365 Queen Street
MELBOURNE VIC 3000

By email: grayner@cwu.org.au

Dear Greg

Penalty rates and PDO retention trial

Following on from our meeting on Thursday 12 July with you, Shane Murphy and Peter Chaloner, I'd like to progress our discussion about trialling a One Network Structure across a number of Australia Post sites.

The One Network Structure trial will promote a modernised operating environment, aimed at improving our service offering to customers and the community, while delivering efficiencies and ensuring the safety and wellbeing of all of our people.

We will also trial the equalisation of penalty rates between PDOs, allowing us to test the impact of this measure in a modernised, flexible operating environment on outcomes such as employee retention.

Parameters of the trial

We are proposing to run a series of six-month trials across agreed locations in Victoria, New South Wales and South Australia, focusing on delivery centres.

Under the trial, we would be seeking to bring together a range of initiatives, including:

- Greater flexibility in set start times
- Greater flexibility in selecting modes of delivery
- Revised One Team management structures
- Introducing telematics
- Reviewing and recasting delivery rounds
- Introducing SPB clearances
- Express Post recovery and second wave deliveries

All Postal Delivery Officer classifications participating in the trial would all receive a 15% penalty payment for their shift for the duration of the trial, unless they are entitled to a higher shift penalty.

We would seek to baseline and then measure impacts on:

- Attendance
- Engagement
- Retention
- Safety
- Productivity
- Overtime
- Operational Flexibility and Divides/Cuts

We have included a proposed evaluation plan at **Attachment A** which will be finalised through discussions with you.

We look forward to discussing this plan with you at the Union Summit on 31 July and 1 August.

Please do not hesitate to contact me in the meantime if you'd like to discuss.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rod Barnes', written in a cursive style.

Rod Barnes
General Manager- Deliveries
Australia Post