

**Boeing Aerostructures Australia**

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To: Nathan Tuddenham (AMWU), Christopher Spindler (AMWU), Melissa Cadwell (Professionals Australia), Dakshinee Kodi (Self-represented bargaining representative), Marco Biasizzo (AMWU), Dario Radakovic (AMWU), Melinda Sikk (AMWU), Keith Baddock (Professionals Australia), Josip Vrbetic (Professionals Australia)

<Issued in person. Copy via email>

Dear Bargaining Representatives,

**RE Boeing Aerostructures Australia Enterprise Agreement Negotiations 2021**

We refer to the negotiations for the *Boeing Aerostructures Australia Pty Ltd (Port Melbourne) Enterprise Agreement 2021 (new EA)* to replace the *Boeing Aerostructures Australia Pty Ltd (Port Melbourne) Enterprise Agreement 2018 (current EA)*.

BAA notes that the progress in the negotiation meetings has been slow, with the parties only reaching alignment on a small number of claim items, with many other claims items still outstanding. In order to move forward and clarify BAA's position, we wish, without prejudice, to table the following consolidated offer as a package, as part of the negotiation process for a new EA.

**General**

We note that the parties have reached alignment on the following items:

1. Travel time payments – international and domestic travel.
2. Heat stress – change to spread of ordinary hours.
3. Understanding that there are clauses in the EA that require tidy up for simplicity/clarity.

**Details**

BAA further agree to:

4. Provide a letter of guarantee which is valid for the life of the new EA which will be in the same or similar terms as that in the current EA for employee entitlements in the event of the closure of BAA or its insolvency.

5. Cover the cost for the assessment, registration and ongoing registration renewal for professional engineers under the new EA to comply with recent Victorian legislation, to the extent the assessment, registration and renewal is required for the employee to perform their position.

BAA has reviewed its claims list and in response to feedback in the negotiations, BAA has considered its position on a number of claim items. As part of this consolidated package, BAA continues to seek:

6. A 4-year agreement.
7. Heat Stress Policy to be removed from the new EA and moved to a policy document. The policy document is to be finalised as part of the negotiations and can only be changed by majority agreement of the consultative committee members at the time any change is proposed.
8. Parties to agree that the first step to be met before an employee can be considered for a reclassification to a 110% Aerospace Tradesperson is that there is a business requirement for a 110%. Parties to work constructively to reflect this in the new EA.
9. BAA claims on redundancy entitlements to be accepted. Under the new EA, the following will apply:

- Severance payments to be 3 weeks' pay at the ordinary rate of pay per year of service;
- Severance payments capped at 60 weeks' pay at the ordinary rate of pay (excluding notice period);
- Redundancy notice period to be as follows:

<b>Period of continuous service</b>	<b>Minimum notice period</b>
1 year or less	1 week
More than 1 year, up to 3 years	2 weeks
More than 3 years, up to 5 years	3 weeks
More than 5 years	4 weeks

- Employees over 45 years old who have completed at least two years of service when they receive notice are given an additional week of notice.
10. BAA claims on long service leave to be accepted. Under the new EA, the following will apply for accrued but untaken long service leave:
    - Payout after minimum 1 year of service if termination is due to redundancy;
    - Payout after minimum 5 years if termination is due to illness/injury;
    - Otherwise, payout after 7 years.

11. Graduate Engineering Salaries (1A and 1B) to be reduced as follows.

- Engineer/Scientist 1A classification salary to be \$90,000 on commencement;

- Engineer/Scientist 1B classification salary to be \$102,000 on commencement;
- Employees employed by BAA in these classifications on a substantive basis immediately before the operation of the new EA will have the following apply to them:
  - Grandfathered 1A classification salary and salary increases in line with the % increases under the new EA;
  - Grandfathered 1B classification salary and salary increases in line with the % increases under the new EA.

If an employee with a grandfathered 1A and 1B classification salary no longer substantively fills the role of an Engineer/Scientist 1A or 1B, the grandfathering arrangement will cease to apply to these employees.

12. Public Holidays clause to be amended to reflect that employees are only entitled to be absent from work with pay in accordance with applicable laws for public holidays gazetted for Melbourne in a calendar year. Show Day will no longer be listed or provided as a public holiday.
13. Individual Flexibility Arrangements (**IFA**) clause to be amended to allow an individual to vary their spread of hours in line with the clause.
14. Bargaining representatives to continue to work efficiently and co-operatively to tidy up clauses which do not change entitlement but provide clarity and supports simplification of the agreement.

As part of the consolidated offer, BAA agrees to no longer pursue the following claims that were featured in BAA's claims list:

15. Claim to remove payroll corrections (Redbook);
16. Claim to remove special leave;
17. Claim to reduce personal leave;
18. Claim to change Team Lead allowance to a flat rate;
19. Claim to remove clause requiring employee representative agreement for the amendment of position descriptions in the current EA.

In return, the employee bargaining representatives (AMWU, Professionals Australia and the self-represented bargaining representative) agree to no longer pursue remaining items from their respective claims list.

In consideration of the acceptance by the bargaining representatives of the above consolidated offer as a package, BAA offers the following annual wage increases:

#### 20. Wage Increases

Commencement Date of new EA	0%
12 months after Commencement Date	1.25%

24 months after Commencement Date	1.25%
36 months after Commencement Date	1.25%

BAA reiterates that this offer is presented as a package.

Finally, we wish to note that BAA will not agree to any proposal for back pay arrangements in these negotiations.

Yours sincerely,

**Matt Jones**  
Negotiation Lead  
Boeing Aerostructures Australia