

Boeing Aerostructures Australia

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23 August 2021



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

<Issued 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)*.

At the most recent bargaining meeting held on 12 August 2021, Boeing Aerostructures Australia (**BAA**) asked bargaining representatives to consider BAA's latest offer and respond at the next meeting, which is scheduled for 26 August 2021.

BAA also agreed to provide further details in writing in relation to its claim on Graduates Engineers.

For completeness, please find below BAA's offer in writing, which reflects the discussion with the bargaining representatives at the 12 August meeting.

1. Wage Increase

Commencement of the new EA	1.25%
12 months after Commencement Date	1.25%
24 months after Commencement Date	1.25%
36 months after Commencement Date	1.25%

The first increase will be *applied* from the date the AMWU and Professionals Australia jointly write to BAA confirming their members' in-principle endorsement of this offer, with payment to be made upon the commencement of the new EA.

Applying the wage increase will ensure employees are not disadvantaged by the length of time it may take the Fair Work Commission to approve the new

EA. The new EA will not start to operate until 7 days after the Commission approves it.

2. Engineering Registration

BAA to cover the cost of assessment and ongoing registration for professional engineers covered by the new EA to comply with recent Victorian legislation, to the extent the assessment and ongoing registration is required for the employee to perform their position.

3. New Engineering Graduate Program

Introduction of stand-alone 24-month Engineering Graduate Program, similarly structured to the program at Boeing Defence Australia.

- This program will include department rotations and the following progressions:

Engineer/Scientist Grad 1 – 103% relativity to base - \$84,392*
 Engineer/Scientist Grad 2 – 115% relativity to base - \$94,221*
 Engineer/Scientist 1A – 125% relativity to base - \$105,899*

(* Note: These salaries would be increased by 1.25% on the commencement of the new EA in line with the **Wage Increase** noted above)

- 12-months after commencement of employment – Graduate progression from Grad 1 to Grad 2 subject to meeting behavioural attributes in current EA at clause 16.4.3.
- 24-months after commencement of employment – Graduate progression off Grad 2 to Engineering/Scientist 1A subject to meeting the behavioural attributes in current EA at clause 16.4.3.

4. 110% Reclassification

Following the commencement of the new EA, a joint working party involving BAA and employee representatives will be established to conduct a review of the 110% Aerospace Tradesperson Reclassification process that is outlined in Part 13 of the current EA and agree a replacement process.

5. Public Holidays

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 Victoria in a calendar year. Show Day will no longer be listed or provided as a public holiday.

Matters Agreed

We note that the parties have previously reached alignment on the following items, which will be reflected in the new EA:

- (a) Travel time payments – international and domestic travel
- (b) Heat stress – change to spread of ordinary hours
- (c) Individual Flexibility Arrangements (IFA) clause to be amended to allow an individual to vary their spread of hours in line with the clause
- (d) Long service leave payments upon termination of employment:
 - 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.
- (e) BAA to 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.
- (f) Following the commencement of the new EA, a joint working party involving BAA and employee representatives will be established to conduct a review of the reclassification process for employees on the Engineer/Scientist Classification.
- (g) Bargaining representatives to continue to work efficiently and co-operatively to tidy up clauses which do not change entitlement but provide clarity and support simplification of the agreement.

BAA reiterates that this offer is presented as a package.

For the avoidance of doubt, claims that are not addressed above are to be withdrawn by the respective bargaining representatives. BAA withdraws its claim to change redundancy entitlements.

Finally, we note that the AMWU and Professionals Australia have sought a wage increase which is back-dated to 1 July 2021. This is not accepted.

We look forward to the AMWU and Professionals Australia seeking endorsement from their membership for BAA's offer which will allow BAA to provide employees with a wage increase as soon as possible.

BAA expectation is that the Union's present a counter offer at the next scheduled bargaining meeting. To assist with this BAA is willing to enable mass meetings of a suitable duration.

Yours sincerely,



Matt Jones
 Negotiation Lead
 Boeing Aerostructures Australia