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7 March 2022



To: Employees covered by the *Boeing Aerostructures Australia (Port Melbourne) Enterprise Agreement*

[via email]

Dear Team,

RE: Boeing Aerostructures Australia Enterprise Agreement Negotiations 2022

I refer to the negotiations for the *Boeing Aerostructures Australia Pty Ltd (Port Melbourne) Enterprise Agreement 2022 (new EA)* to replace the *Boeing Aerostructures Australia Pty Ltd (Port Melbourne) Enterprise Agreement 2018 (current EA)*.

After 13 months of negotiation, and 30 bargaining meetings, BAA has improved our offer in an effort to reach agreement. This is an excellent offer, and I encourage you to carefully consider the details below, and vote yes.

What's changed since the last vote?

1. Wage Increase

Commencement of the new EA	1.5% + \$1,000 sign-on bonus
1 July 2022	1.75%
1 July 2023	2.75%
1 July 2024	3.0%

The wage offer was increased by an additional 0.5% in year 3 (now 2.75%) as well as a further 0.5% in year 4 (now 3%) to provide a 9% increase over the life of the agreement.

We are also providing \$1,000 sign-on bonus as part of the offer. Please note, the sign-on bonus is a pre-tax amount, and inclusive of 10% superannuation.

The first wage increase will be applied from the first full pay period after a positive vote, with payment to be made upon the first pay day after commencement of the new EA. The \$1,000 sign-on bonus will also be made at this time.

Applying the wage increase from this time will ensure our team mates covered by the new EA 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. BAA Engineering Graduate Program

As noted in the previous offer, BAA proposes to introduce a stand-alone 24-month Engineering Graduate Program, similarly structured to the program at Boeing Defence Australia.

We have heard from team mates and agreed with bargaining representatives (including Professionals Australia) to capture the detail of the program as follows:

- In the new EA:

“BAA will introduce a stand-alone 24-month Engineering Graduate Program. Only employees entering this Program will be classified as Engineer/Scientist Graduate.

Upon the completion of the Engineering Graduate Program, these employees will transition to a role at Engineering/Scientist 1A classification, subject to meeting the behavioural attributes in clause 110.3.”

The above wording was drafted in the course of bargaining and has been agreed by all representatives.

- In policy – BAA committed to providing a draft of an BAA Engineering Graduate Program policy to Professionals Australia bargaining representatives for their feedback. This document is now with Professionals Australia and we will work closely with the union to getting this document finalised and published.

As previously outlined, this program will include department rotations and the following wage scale:

- Engineer/Scientist Grad – 110% relativity to aerospace technician base - \$ 1,792.11/week*

(*Note: This salary would be increased in line with the new EA)

3. EA Wording Clarification

BAA met with bargaining representatives in December last year and throughout February this year to resolve concerns that some bargaining representatives held over the drafting of a small number of clauses in the proposed agreement.

The parties agreed to make minor amendment to the drafting of clauses for clarification on:

- Long service leave; and
- Public holidays;

The bargaining representatives (including the unions) agreed that no change is required to the clause on apprentices.

The clarity provided by the minor amendments to the drafting has meant that all bargaining representatives (BAA, unions and individual representatives) no longer held any concerns over the drafting of the clauses in the new EA.

Matters Previously Agreed

We note that the bargaining representatives have previously reached alignment on the following items, which will be terms in the new EA:

(a) BAA to cover the cost of assessment and ongoing registration for professional engineers covered by the new EA to comply with the *Professional Engineers Registration Act 2019 (Vic)*, to the extent the assessment and ongoing registration is required for the employee to perform their position at BAA under the new EA.

The required Continued Professional Development (CPD) hours may be acquitted at BAA in accordance with the employee's development plan.

(b) Travel time payments – international and domestic travel

(c) Heat stress – change to spread of ordinary hours

(d) Individual Flexibility Arrangements (IFA) clause to be amended to allow an individual to vary their spread of hours in line with the clause

(e) Long service leave payments upon termination of employment:

- Payout after minimum 1 year of service if termination of employment is due to Redundancy;
- Payout after minimum 5 years if termination of employment is due to illness/ injury;
- Otherwise payout after 7 years.

(f) BAA to provide a letter of guarantee which is valid for the term 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.

(g) Following the commencement of the new EA, a joint working party involving BAA and employee representatives will be established to:

- a. conduct a review of the reclassification process for employees on the Engineer/Scientist Classification; and
- b. conduct a review of the 110% Aerospace Tradesperson Reclassification process that is outlined in Part 13 of the current EA and jointly agree a replacement process.

(h) Amended secondary care giver leave clause.

BAA reiterates that this Offer is presented as a package.

For the avoidance of doubt, claims that are not addressed above were withdrawn by the respective bargaining representatives.

We look forward to your support to finalise the new EA and provide wage increases for our team mates without further delay.

Yours sincerely,

Matt Jones
Negotiation Lead
Boeing Aerostructures Australia