

Mr Gary Way  
President  
Rail, Tram and Bus Union – Bus Division  
83-89 Renwick Street  
REDFERN NSW 2016

Dear Mr Way,

**Re: Bus Operations Award 2012**

State Transit now has the approval to make the following offer to the Rail, Tram and Bus Union, and its members covered by the *State Transit Authority Division of the Government Service Bus Operations Enterprise (State) Interim Award 2011*, which has a nominal expiry date of 11 June 2012.

State Transit is authorised to offer wage increases to enter into a new award. The offer is subject to a new Award being entered into as follows:

a) wage increases as follows:

- up to 0.75% from 15 April 2012, and
- up to 3.25% from 1 January 2013,
- up to 3.25% from 1 January 2014.

b) the wage increases outlined in a) above are conditional upon sufficient employee related cost savings being achieved to fully offset any wage increase of more than 2.5% pa and the wage increase clause contained in the award is to reflect this.

c) the parties are to enter into a new Award that provides for the conditions outlined herein that is proposed to commence on 1 January 2012 and expire on 31 December 2014.

d) The proposed wage increases outlined in a) above are in full consideration for the following cost saving initiatives:

- Changes to Holiday Relief Rostering Arrangements,
- Changes to Recruitment Practices,
- Changes to State Transit's Driver Training Program, and
- Deferment of the Traineeship Wage Rate.

e) any new award that implements these increases will contain suitable clauses in line with the NSW Public Sector Wages Policy 2011, including the requisite no extra claims clause, sufficient clauses to implement the cost savings initiatives, and clauses to reflect the conditions associated with the wage increases.

It is requested that you communicate whether the Rail, Tram and Bus Industry Union, and its members accept this offer. If so, the parties will arrange for an application for a new Award.

Yours sincerely,



Peter Rowley  
Chief Executive