

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

DECISION TO TRANSITION

- In October 2019 the NSW Government announced that it had made the decision to franchise the remaining three State Transit regions — 7, 8 and 9.
- This decision is about a change in direction by the NSW Government. Put simply, the NSW Government has decided that it no longer wants to run bus services.
- The NSW Government has decided its role should be one of regulating the bus industry and investing in the bus network and services — including investing in zero-emission buses.
- At no stage has there been any suggestion that this decision was made because of our performance or anything we did or didn't do. In fact the NSW Government has acknowledged how well we have performed.

TENDER PROCESS

- The NSW Government will continue to own the existing buses as well as other assets such as depots/garages.
- The new operator of each of State Transit's current operating Regions (7, 8 and 9) will be required to service and maintain the fleet and facilities along with operating all contracted services.
- The Region will not be broken up, that is, there will be one operator in the Region.
- The NSW Government invited international and Australian bus operators to bid for Bus Contracts in Regions 7, 8 and 9 when it announced the franchising in October 2019.
- We are unable to tell you who has expressed an interest in the contracts, or who has placed a bid.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TENDER TIMELINE

- The tender for Region 9 opened on Friday 27 November 2020 and closes on Thursday 30 April 2021.
- Prospective bidders have access to State Transit information in a data room. They are also able to ask for additional information to help them prepare their bid. No information on individual employees is provided.
- The bids will be evaluated by way of a competitive tender process.
- Following the evaluation process, it is anticipated that the new operator for Region 9 will be announced in November 2021, with a handover to the new operator in April 2022.
- As will be the case for all three Regions, the new operator of each Region will work with TfNSW and State Transit to ensure that the transition is as smooth as possible, and will be present at the relevant depots during the transition phase.
- The proposed timeline for the transition of all three Regions is outlined below.

Region	Operator announced/ transition commences	Transition concludes/ new operator commences
Region 8 (North)	May 2021	October 2021
Region 7 (West)	July 2021	January 2022
Region 9 (East)	November 2021	April 2022

For more information on the tender process, refer to the *Transition Handbook for Operational Employees*.

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

PROTECTING YOUR ENTITLEMENTS

- As part of the tender evaluation process, a detailed assessment will be conducted into the financial viability of each bidder.
- In the unlikely event a new operator becomes insolvent during the life of the Contract, the draft Contract has safeguards in place. These provisions include:
 - a performance security (such as a performance bond and a parent company guarantee);
 - registration of a security interest over any personal property used under the Contract that remains owned or leased by the operator; and
 - the ability for Transport for NSW to immediately (or on such later date specified in the Termination Notice) terminate the contract (and related releases) and appoint a “step in” operator.
- Your employment and your entitlements would not be affected.

ROUTES AND SERVICES

- Just as it does now, the NSW Government will continue to determine services/routes, timetables and bus stop locations and set fares in the future, to ensure services meet customer requirements.
- A network service review is currently taking place for all Regions.
- The review will see the introduction of network improvements and the separation of our cross region routes into individual Regions.
- These changes will take place between late 2020 and mid-2021.
- Changes relating to timetables and rosters will be communicated with you in line with current practices, which will include consultation with the roster committees in the affected locations.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

AWARD

- Your conditions of employment are covered by your Award.
- Your Award conditions at the time of transition go over with you.
- The Award conditions are protected and will remain in place until a new Enterprise Agreement is negotiated and signed.
- The Award will continue to apply in the same way it does now, covering things such as your rates of pay, overtime rates and shift penalties. These will still apply to your work as they do now, depending on your shift.
- Allowances that are covered under the Award will remain for the life of the Award. This includes the “high-capacity allowance”.
- The “three-door operations allowance” was dealt with as a side agreement with State Transit and the Rail Tram and Bus Union (RTBU). Prospective tenderers have been advised of this arrangement.
- The RTBU is able to continue to represent former State Transit staff in Region 6. This includes negotiating the Enterprise Agreement with the new operator.
- Negotiations for a new Bus Operations Award and Senior and Salaried Officers’ Award have commenced and have been progressing well. Staff will be kept up-to-date on the progress.

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

EMPLOYMENT GUARANTEE

- All depot staff (including Depot Supervisors and Driver Coaches) are considered operational employees.
- As an operational employee, you are guaranteed an offer of employment with the new operator in the relevant Region with the same job, at the same level and the same status (full-time, part-time or casual). The only exception to this is the Depot Directors, who will not transfer to the new operator.
- Because all operational employees will be offered employment, under NSW legislation there is no entitlement to a redundancy or transition payment.

CASUAL EMPLOYMENT

- Casual employment provisions will remain the same as they are now.

GYM

- Gym and Institute equipment and facilities will remain the responsibility of the Institute to maintain and replace when necessary.

JOB SHARE

- Existing job share arrangements will be honoured by the new operator.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

LEAVE

Leave Balances

- Your Annual Leave, Long Service Leave and Sick Leave balances will transfer across to the new operator of the Region.
 - Your leave entitlements cannot be taken off you at the end of the employment guarantee.
 - State Transit will provide your leave balances to the new operator of the Region at transition.
 - Leave will continue to accrue as it does now.
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Annual Leave

- The holiday block system will carry over to the new operator of each Region as we will have block holiday rosters developed and published up to the end of December 2022.
- The new operator may wish to change this system, but would need to consult with you to make any changes.

TRANSITION ADVISORY DESKS

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

LEAVE (cont.)

Purchased Leave

- Applications for Purchased Leave are to be made at least 12 months in advance.
- To allow time for a Purchased Leave application to be approved and processed, you can apply for Purchased Leave up until one month before your Region's proposed transition date.

Region	Transition concludes/ new operator commences	Deadline for Purchased Leave applications
Region 8 (North)	October 2021	September 2021
Region 7 (West)	January 2022	December 2021
Region 9 (East)	April 2022	March 2022

- Employees will be advised of specific leave cut-off dates closer to transition.
- If you apply for Purchased Leave after the cut-off date, your application will be referred to the new operator of the Region for approval.

PLEASE NOTE:

- All leave allocated or approved by State Transit, including for periods after transition, will be honoured by the new operator of the Region.
- Leave approvals by State Transit will cover any leave up until December 2022.
- Any leave required after this will need to be approved by the new operator of the Region.

For more information on Leave refer to the *Transition Handbook for Operational Employees*.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

OTHER EMPLOYMENT OPPORTUNITIES

- Should you wish to obtain another position in the Transport Cluster prior to transition, you can apply for any advertised roles, just as you can now.
- If you are looking for opportunities in the Transport Cluster or the wider NSW Government sector after transition, you should look at the NSW Government jobs site “I work for NSW” (<https://iworkfor.nsw.gov.au/>) where you will find a list of all vacant positions.

PART-TIME EMPLOYEES

- Agreed part-time arrangements in place at the time of transfer will continue under the new operator.
- Any variation to a part-time employment arrangement after transition must be agreed between the new operator of the Region and the employee in accordance with the applicable Award/Agreement.
- Under your Award, part-time hours of work can be altered up to a maximum of one hour per day.
- Your Award transfers over to the new operator of each Region who will need to comply with all Award provisions.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

PAY RATES

- The Award will continue to apply in the same way it does now and covers entitlements/ conditions such as your rates of pay, overtime rates and shift penalties.
- The rostering principles that are covered in your Award will also transfer with you to the new operator of the Region. They must comply with these conditions.
- The existing Bus Operations Award has provisions dealing with take-home pay and these will be preserved following the transfer of business to any new operator.
- Your actual take-home pay with a new operator cannot be guaranteed (any more than it can be guaranteed by State Transit) as it depends on your individual circumstances and the shifts you work each fortnight.
- The availability of overtime will vary depending on the needs of the new operator of the Region.

PERSONNEL FILES

- Personnel files will not be transferred to the new private operator of the Region.
- If you wish to obtain a copy of your personnel file you should speak with your Depot Supervisor.

SECONDARY EMPLOYMENT

- Employees who have work outside of State Transit will need to seek approval for secondary employment from the new operator. Fatigue management and conflict of interest will need to be considered as part of this process.
- It will be up to the new operator of each Region as to how this process is managed post transition

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

SERVICE

- Your State Transit service and any government service that State Transit has previously recognised — such as service with Sydney Trains — will carry over to the new operator of the Region you are employed in.
- Your service will not be recognised if you transfer to the private operator and later accept a job within Transport for NSW or the wider government sector. This is considered broken service and will not be recognised for Long Service Leave purposes.
- Unbroken service (known as “*continuous service*”) — i.e. where you move directly between one government sector agency to another — is recognised by all NSW Government agencies.
- The agency, such as Sydney Trains for example, would need to determine whether or not it would recognise broken service in accordance with relevant legislation.

SPORTING EVENTS

- Sporting events are currently arranged by the Institute.
- It is recommended that the Institute representatives speak to the new operator of each Region with regard to the arrangements relating to sporting events and any associated insurance — and how this will be managed post transition.

SUPER

- Membership of current superannuation schemes (including SASS), contributions and retirement benefits remain unchanged when you start work with the new operator.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

SPECIAL PURPOSE VEHICLE (SPV)

- The draft contracts for Regions 7, 8 and 9 state that the new operator of each Region must be a company that is specifically established to operate services in the relevant region. This is known as a Special Purpose Vehicle (SPV).
- The SPV must be the employer for all Dedicated/Operational Staff (including those employed under a traineeship or apprenticeship), regardless of whether they are former State Transit employees or employees hired after transition. This has been made clear to all tenderers.
- It is Transport for NSW's view that having one employer should help address any concerns you and your union had with previous arrangements and that it should lead to having the same Enterprise Agreement cover staff who are performing the same work within the same region.
- The Secretary of Transport has given his assurance that the provisions concerning the SPV will be closely monitored and enforced. Any breaches/non compliance will be pursued.
- There are reporting, monitoring and enforcement mechanisms in the draft Contract allowing Transport for NSW to treat any non-compliance as a material breach of the Contract.
- In the event of a material breach, Transport for NSW would be able to take immediate corrective action which may involve termination of the Contract, suspension of payments, or to require that a Cure Plan be implemented.
- When it comes to negotiating a new Agreement to replace your current Award, our expectation is that the new operator of each Region will involve all employees in the bargaining for the next agreement — regardless of whether they came from State Transit or are new — and that any new Agreement should cover everyone.
- No new operational staff can be employed under the SPV before the new operator commences services (i.e. before the transition date when State Transit employees transfer across).
- At the point of transition, any new operational staff will be employed under the SPV.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

UNIFORMS

- Bus Operators received the annual uniform allowance in October 2020 for the procurement of replacement uniforms through State Transit's approved uniform supplier.
- Given the transition, from October 2021, replacement State Transit uniforms can be procured by State Transit on your behalf. If you need any replacement uniform items after October 2021, speak with your Depot Supervisor for assistance.
- The new operator of each Region will fit you for a new uniform and will supply it to you in the lead up to the transition.

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

TRANSFERS

Transfers Between State Transit Depots

- Requests for transfers within State Transit will be considered in line with current policy until the commencement of transition for your Region. The transition of Region 9 is planned to take place in April 2022.
- Transfers are permitted once an employee has worked in his/her current location for 12 months.
- There is no freeze on transfers. Depots that are understaffed may not be in a position to allow transfers out.

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

TRANSFERS

Movements Between Contract Regions After Transition

- The new operator won't be able to move you from the Region you are currently employed in to one of the other contract Regions (if they operate more than one) without your consent.
- The operator of each Region will be a separate, stand-alone company, with its own Enterprise Agreement, policies and procedures and ways of doing business.
- Because the operators of the various contract Regions will be different companies — and, therefore, different employers — you will not be able to transfer or move between them in the same way you can transfer between Regions within State Transit.
- Should you want to move to another contract Region, in the event that the new operator has affiliations with other companies that operate in other Region(s), this may be possible, but these operators would need to agree.
- The *Fair Work* Act will determine whether your existing service will be recognised or not, if you move between employers of different contract regions after transition. From an employment perspective, this would be treated as a change in employer. You would take on the conditions of the new company including its Enterprise Agreement, pay, penalty rates and policies and procedures.
- Therefore, if you move between contract Regions or to another private entity, your State Transit transfer provisions in relation to:
 - your employment guarantee;
 - your Award;
 - recognition of the State Transit policies and procedures;
 - your Employee Opal Card; and
 - recognition of service for Gold Pass purposesare unlikely to go across with you to another company.
- Should you wish to move between contract regions, we recommend that you speak with them first to determine your entitlements following any movement, and to seek independent advice on your specific circumstances at the time.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

TRAVEL PASSES (OPERATIONAL EMPLOYEES)

Employee Opal Cards

- Employee travel pass will be valid for three years from the date of transition.
- Your current entitlement to an Employee Opal Card will remain unchanged for three years after transition, including travel on the following services:
 - Sydney Trains and NSW TrainLink Intercity services, including AirportLink stations;
 - NSW TrainLink Regional services;
 - Sydney Ferries services;
 - Regions 6, 7, 8 and 9 bus services;
 - Newcastle bus, light rail and ferry services;
 - Sydney Light Rail Services; and
 - Sydney Metro North West services.

Gold Pass

- Gold passes are for life.
- Broken or discontinuous service with State Transit (or eligible agency) is recognised for Gold Pass purposes.
- When you transition to the new operator your service with them will count towards a Gold Pass for three years. For example, if you have 28 years service when your Region transitions, you will need to work for a further two years to reach 30 years service and be eligible for a Gold Pass.
- Once transition occurs, you will also continue to accrue service towards a Gold Pass for three years.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

TRANSFER ARRANGEMENTS — EMPLOYEE CONDITIONS

TRAVEL PASSES (OPERATIONAL EMPLOYEES)

Gold Pass (cont.)

- Once you are eligible, you can use your Gold Pass on the same services you can now, including:
 - Regions 6, 7, 8 and 9 bus services;
 - Newcastle bus, light rail and ferry services;
 - Sydney Light Rail Services;
 - Sydney Metro North West services;
 - Sydney Trains and NSW TrainLink Intercity services, including AirportLink stations;
 - NSW TrainLink Regional services; and
 - Sydney Ferries services.
- No employee pass — current or former — can be used on the T-Way.
- For Gold Pass holders who are employed by the new operator once the three-year period has expired, or if you leave the employment of the new operator, you will receive a 'Former Employee Gold Pass', as is the case if a Gold Pass holder leaves State Transit.
- You will be able to use the 'Former Employee Gold Pass' on all the services you can now (as listed above). The exception to this is that you will be required to pay the concession access fee at the International and Domestic Airport stations.
- You keep your 'Former Employee Gold Pass' no matter where you work in the future, if you leave the organisation, or retire.

Interstate Travel Vouchers and Holiday Passes

- Your current entitlements to interstate travel vouchers (including travel on the Ghan, for example) and holiday passes remain unchanged for three years after transition. This entitlement will only apply if you book and travel within the first three years from transition.
- Interstate travel vouchers are used when you clear Annual Leave, Long Service Leave or Purchased Leave. Booking and travel will need to occur before the end of the three years.

For more information on Passes, see Page 21, *Transition Handbook for Operational Employees*.

SUPPORTING YOU THROUGH THIS CHANGE

SUMMARY OF THE REGION 9 TRANSITION ADVISORY DESK TOPICS (November – December 2020)

DO YOU HAVE FURTHER QUESTIONS OR NEED CLARIFICATION ON ANY OF THE ABOVE?

Please speak with your Depot Director or Service Manager, submit an enquiry in the Transition Feedback box at your depot/garage, or email stayinformed@sta.nsw.gov.au and the People and Culture team will get back to you.

This document can be downloaded at: www.stayinformed.com.au/statetransit and the BLINK Transition Hub.