

The Hon. Mike Baird MP
Premier
Minister for Infrastructure
Minister for Western Sydney
52 Martin Place
SYDNEY NSW 2000

23 January, 2015

Dear Premier.

I am writing to you to seek an urgent meeting regarding the NSW Governments electricity crisis.

You would be aware that today Networks NSW revealed plans to make up to 4,600 power industry workers redundant from across the state. You would also be aware that power industry workers and Ausgrid/Endeavour Energy management are at an impasse over the negotiation of a new industrial agreement.

Since the start of negotiations unions, on behalf of our members, have taken a sensible approach to negotiations on the basis of three underlying principles.

1. **Job Protection and Security** – This issue remains the primary concern of workers in the industry as they face an uncertain future following today's announcement of up to 4,600 redundancies and the government's electricity privatisation plans.
2. **Protection of Conditions** – Job conditions in the power industry remain consistent with other states and given the dangerous 24/7 nature of the industry are justified.
3. **A Fair Pay Outcome** – Understanding that this is a negotiating process the combined unions tabled an initial wage claim of 4% p.a. over a two year agreement. This of course is a negotiating start point, although we note that the NSW Government has recently negotiated 4% pay outcomes for workers in other parts of the public sector.

We acknowledge that NSW state wage policy is 2.5% without the need for tradeoffs. We remain committed to negotiating a fair outcome.

Prior to Christmas Ausgrid/Endeavour Energy made offers to their respective workforce that included the loss of conditions for a pay increase of **between 0% and 2.5%**. The tradeoffs sought by Ausgrid and Endeavour Energy would have resulted in workers receiving cuts to their take home pay. As a result this offer was rejected.



Given the high level of uncertainty faced by workers in the power industry as a result of mass redundancies and plans to privatise the electricity network, our greatest concern remains job protection and job security.

At past meetings you have expressed directly to me that your government would provide job guarantees for power industry workers given the prevailing circumstances. I am therefore baffled as to why these job guarantees are not being offered that have been previously verbalised by you.

During the course of the past 18 months other state owned power companies, namely TransGrid and Essential Energy, have negotiated outcomes without the need to trade off working conditions, I am baffled as to why the government has adopted a different approach for Ausgrid and Endeavour Energy.

With regard to the quantum of any pay increase the ETU has consistently maintained an open position on this point and remain prepared to negotiate. Given the recent outcomes at other state owned power companies and in other areas of the public sector, we believe this matter can be mutually resolved.

While protected industrial action has been applied for and may be taken if approved by members, I remain hopeful that this matter can be resolved through sensible negotiations.

Our aim is to reach a settlement and to avoid industrial action. However it is becoming clear that a crisis is developing involving massive job losses and increasing uncertainty. It is on this basis that we seek an urgent meeting with you in an attempt to resolve these matters.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'S. Butler', written in a cursive style.

Steve Butler
Secretary