

On Track

ISSUE 01 > Thursday 19 February 2004



Bernie Carolan and Hubert Guyot

"As Yarra Trams enters into a new partnership with the State Government of Victoria to operate the tram network across Melbourne, I am delighted to welcome the M>Tram team on board."

This is a tremendous and exciting opportunity for M>Tram and Yarra Trams to join forces and expand our tram "experiences" further to efficiently operate the entire Melbourne tram system.

We will, from today, grow into one unified team. We will unite all aspects of Melbourne's iconic tram network under the management of a single company for a better way forward.

Our joint forces will be strong enough to revitalise tram travel and breathe new life into Melbourne's trams, with initiatives such as low floor trams, new stops, renewed infrastructure, and improved traffic management and tram priority.

In our new unified team, every one is a valuable contributor to the current and future success of the tram business. Constant communication at all levels will ensure continued improvement for customers, staff and for the greater public transport system.

I am pleased to present you with the first issue of *On Track*, our weekly newsletter. This newsletter will keep you up to date on various transition issues as M>Tram and Yarra Trams embark together upon their new exciting journey.

Hubert Guyot
Chief Executive Officer

Now that the State Government has reached agreement with Yarra Trams to operate the whole metropolitan tram network, it's appropriate to both look forward to the future and to review what we've accomplished at M>Tram.

Into the future, the combined Yarra Trams and M>Tram can develop into a truly outstanding tram service, ready to meet the needs of a growing and changing city – and impress the world when Melbourne hosts the Commonwealth Games in 2006.

In merging with Yarra Trams, M>Tram carries with it a strong record of improvement in operational performance and a strong, and still developing, focus on customer service. I am confident the new company is well placed to deliver even better services to our customers.

And, moving forward into the single operation, we should still retain our pride in what we have achieved, especially over the last year that we've been in receivership.

Despite the dramatic challenges and uncertainty we've faced, we have continued to roll-out the new Combino trams, with the five-module Combino due to enter service soon.

We've delivered on major events like the Grand Prix and St Kilda Festival.

Major redevelopment works on the network and at depots have continued.

Most importantly, we've continued to deliver our services to a high standard.

The State Government's Track Record publication shows that M>Tram improved on-time performance over the first nine months of 2003.

Cancellations declined and customer satisfaction improved – in fact, M>Tram's customer satisfaction rating in the September quarter of 2003 was the highest we've recorded since surveys began in June 1998.

Successes such as these reflect the commitment and experience of our staff and I would like to acknowledge your role.

Customer Service Managers and Ops Supervisors, Senior Trainers, Depot Trainers, Depot Starters, Senior Drivers and Drivers, Tram Authorised Officers, Tram Attendants, Fleet Operations, Special Events and Timetabling, Depot Admin staff, Performance, Engineering, Maintenance and Infrastructure crews and the staff at 459 Collins have all played a part in M>Tram delivering on its promise to our customers and the wider community.

I have no doubt this will continue as the two tram companies are brought together to build a new tram business worthy of Melbourne, and a challenging and rewarding place to work.

Bernie Carolan
Managing Director
M>Tram

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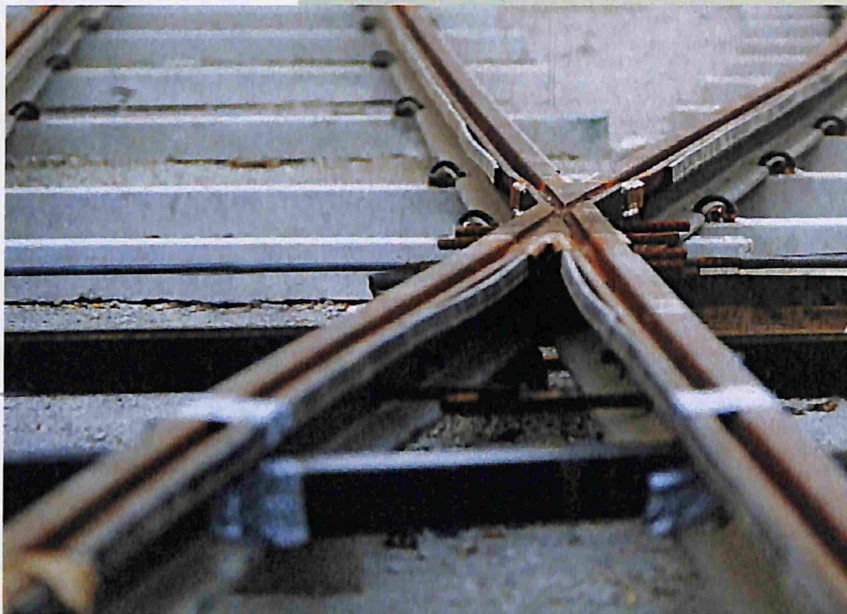
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ISSUE 02 > Thursday 26 February 2004



WELCOME TO THE SECOND EDITION OF *On Track*!

It has only been a few days since we embarked together on this new, exciting journey and I wish to take this opportunity to extend a big thank you to all staff who have continued to provide Melbourne tram passengers with a high level of service throughout the past months of negotiations. I know that with your ongoing support and commitment, together we will ensure further improvements for Yarra Trams customers.

I hope that, like me, you are all overjoyed after last weekend's announcement which has finally recognised the importance of tram priority in Melbourne. This is a major step forward.

Hubert Guyot
Chief Executive Officer

MEDIA SPOTLIGHT

Thursday, 19 February 2004

was an unforgettable day for us all.

This was the day that paved the way for the Melbourne of the future, the day when we entered into our new five-year partnership with the State Government of Victoria to run the entire tram network of Melbourne.

It is interesting to note that the announcement of the new partnership recognised that there have been significant improvements to the tram system since 1999 and that a viable public transport system depends upon our joint expertise.

THE HR TEAM —
OUT AND ABOUT IN MELBOURNE

M>Tram Customer Service Managers have been working closely with Yarra Trams to organise a series of HR information sessions which are currently under way at individual depots and will soon be scheduled at head office. During these sessions, HR team members will be meeting with all M>Tram staff to explain HR policy and the process that will be adopted for formal letters of offer to employees of M>Tram.

The sessions are for informal groups of 15 to 20, and are designed for a two-way exchange of information — we are keen to hear your views, your feedback.

Many thanks to all of you who have attended a session. For those who have been unable to attend so far, you will be given the opportunity to do so in the very near future.

A MILESTONE ANNOUNCEMENT FOR TRAM PRIORITY

Tram To It is an exciting new joint initiative between the State Government and Yarra Trams. This well-overdue program is designed to reduce tram journey times, improve tram reliability and lessen congestion on arterial roads. This is a quantum leap in our ongoing commitment to enhance safety on trams, to spend less time stuck in traffic, and to be treated more equally on the road.

Over the next two years, this \$30 million program will target issues such as traffic management, tram operations and road rules in the busiest parts of Melbourne's tram network.

This will be made possible with a link between Yarra Trams' proposed Fleet Operations Centre and the VicRoads Traffic Management Centre, leading to smoother traffic flow and the prompt identification of problems on the network.

This long-awaited initiative can only better Melbourne's beautiful tram system, one of the best systems in the world. The chance to work as a team with VicRoads has the potential to change the lifestyle of Melbourne, to steer Melburnians away from their cars and onto their trams — for the greater good of our city, our community.

MEDIA ENQUIRIES

Please ensure that all media queries are referred to:

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mobile 0412 101 637

M>Tram Communications
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ISSUE 03 > Thursday 4 March 2004



Over the past two weeks, I have been fortunate to accompany the HR team as they visited M>Tram staff in their depots and other places of work around Melbourne, and we have been delighted at the warm welcome we have received at every stop.

Staff everywhere were very open and keen to talk, which led to a series of interesting discussions and dialogues. A transition period can be a difficult time and we all have to make adjustments. It is very encouraging to see such a positive approach being taken by all of you. Open dialogue and two-way communication are vital for our organisation.

To all of you whom I have had the chance to meet so far, thank you for a wonderful reception. I will be pursuing other depot visits throughout the coming weeks.

Hubert Guyot
Chief Executive Officer

A NEW COMBINED UNIFORM TO GO FORWARD WITH

There is the buzz of many questions in the air as we continue to move through the transition phase. Rest assured that all will be addressed, but for now we will answer one of the most recurring questions: 'what will happen to my uniform?'

The short answer is: 'we will combine our uniforms, but not yet.'

Soon we will be setting up a uniform committee, made up of staff and union representatives working in partnership. The committee will review the quality, colour and design of both companies' uniforms. We feel that there are very positive aspects of each, and we would like to blend these to reflect the new identity of our new, unified company to the satisfaction of all — a new combined uniform to go forward with.

We can look forward to having our new combined uniform by the end of 2004, if not before. In the meantime, both Yarra Trams and M>Tram staff will continue to keep their own uniforms. However, various solutions are currently being considered to replace the M>Tram logo on the current uniform as from day one of the new combined tram business, so as to present a single, united organisation to our customers.

HR VISITS UPDATE

This week saw the completion of the HR team's information sessions with M>Tram staff around Melbourne.

There was excellent representation from staff across the organisation at all sessions and at all locations. We received some very positive comments, and also a wide range of questions — most of these, we were in a position to answer on the spot, and those that remain outstanding will be followed through promptly in upcoming communications.

Many thanks to those who attended for your input and your feedback, which will help us greatly with our planning into the future. We were delighted to have the chance to meet with you all.

The offers of employment, which are likely to be made on or about 22nd March, will provide a rate of pay and conditions at your current location that are no less favourable than those in your existing position. Your prior service will also be recognised as continuous service in the new combined tram business. During our recent information sessions, a lot of tram drivers expressed concerns about relocation. Please be reassured that depot staff will not be relocated unless they wish it. The combined tram organisation will however provide an opportunity to relocate for those who wish to do so.

THE BUSINESS NAME

We are sure all of you have heard whispers and musings about the name of the new, unified business. It is time to clear these up. The business name will be Yarra Trams, with the Yarra Trams logo remaining unchanged.

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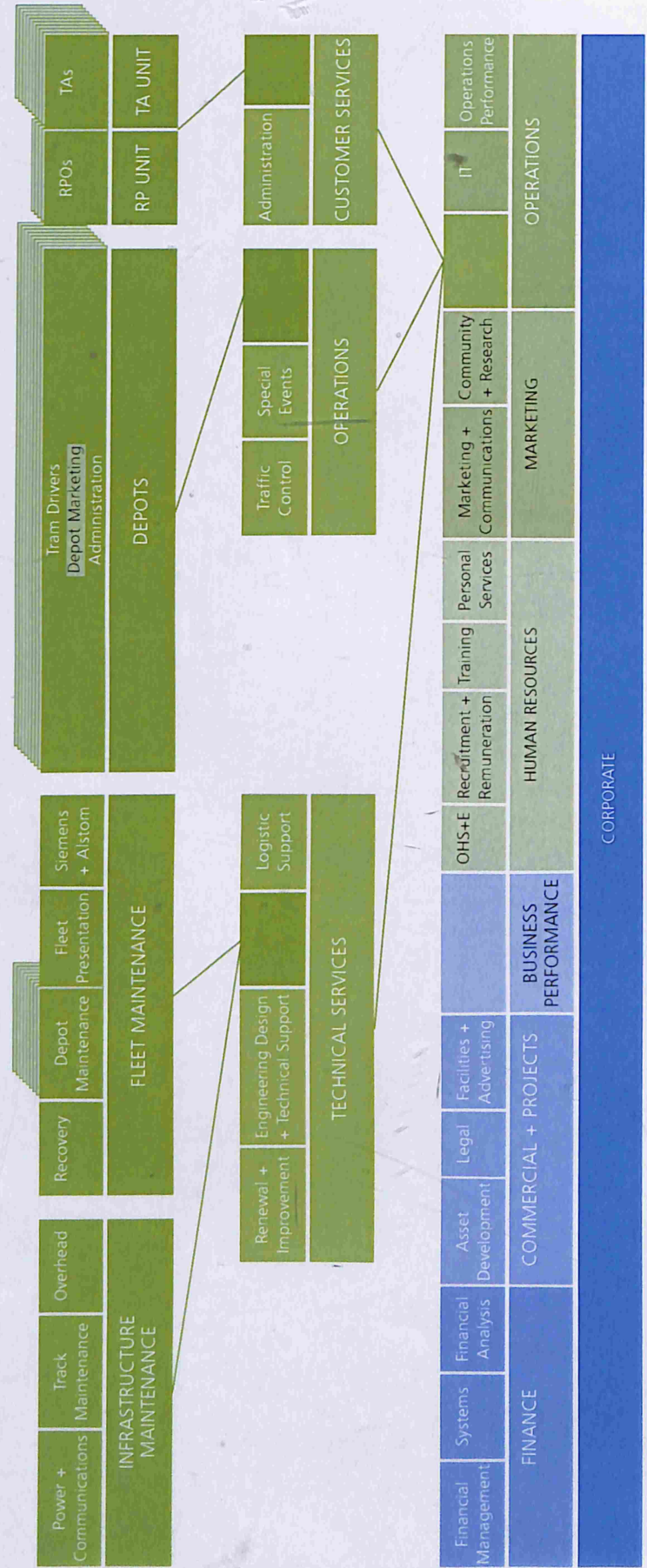
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THE BIG PICTURE

This diagram of the three-tiered structure of Yarra Trams highlights the roles of the various operational departments, all of which are supported by the corporate function.

The structure reflects our vision of and our commitment to customer service. It reinforces our overriding goal – first-class service, and therefore total customer satisfaction.

We are all here to support and achieve this goal.

OnTrack

ISSUE 04 > Thursday 11 March 2004



COME TOGETHER... RIGHT NOW!

Three weeks ago, it was announced that Yarra Trams and M>Tram would come together to operate the entire tram network in Melbourne under the Yarra Trams brand name.

As part of this new unification, the maintenance crews of both networks will also come together – to form one mighty maintenance team. This is a unique opportunity, and I am thrilled to have the crème de la crème of rolling stock and infrastructure maintenance experts all working for Yarra Trams, united under one roof.

With such strong expertise on board, I know that our main objective of total customer satisfaction is now not only possible, but well within our reach.

So I wish to extend a very warm welcome to the Thiess Infracore and Bombardier/Swanston staff into the new combined tram organisation.

Hubert Guyot
Chief Executive Officer

Q&A FOCUS

This week sees the first 'Q&A focus', in which *On Track* answers questions raised by you about the unification of Yarra Trams and M>Tram, and how it affects you and your work.

1> Does Yarra Trams have a recognition/award program?

Yes, we have always recognised staff praise, years of service and safety achievements. In fact, we are currently in the process of developing a revised staff incentive program for the new combined tram business.

2> Will you introduce a system for drivers to collect fares?

We do not intend to introduce any fare collection activity through drivers.

3> Will the conductors return?

No, conductors as we knew them will not return, but there will be an additional staff presence on board in the form of 50 extra Tram Attendants across Melbourne, bringing the total number to around 150. As well as contributing to better fare compliance levels, their role will include easing the pressure on tram drivers by dealing with passenger queries.

4> Do we have any connections with the train company?

Yarra Trams has a good working relationship with Connex but the two companies are independent, with neither having any stake in the other. Through Metlink – the collective marketing body for trams, trains and buses – all transport operators are required to work together to improve the public transport network through combined customer information and marketing initiatives.

5> There are high levels of fare evasions and this frustrates the drivers. What is planned to address this?

Yarra Trams has developed a detailed Revenue Protection Plan that focuses on three key elements:

- > Education and communication
- > Efficiency of checking tickets
- > Enforcement

New staff will be recruited to implement this plan, and all will go through an intensive training program. Our ultimate aim is to turn our customers into advocates of fare compliance.

In addition, we are working closely with Metlink on joint strategies to address this ongoing problem.

6> How can we improve the morale of the depot?

Yarra Trams depots each have marketing staff, whose role is not only to create a better relationship between Yarra Trams and the community, but also to enhance morale within the depot – encouraging staff interaction and improving the link between depot staff and head office.

Marketing staff will soon be appointed in all M>Tram depots and will of course welcome your own ideas for improving morale.

In addition, our view is that your working area is owned by you, and it is essential that the place where you spend so much of your working life is a place where you feel comfortable and at ease. Accordingly, the next six months will see big changes as

work on updating and redecorating the depots gets under way, improving the general appearance and ambience of each.

7> Is it true that Fleet Operations will be relocated?

We are currently studying various possibilities for combining the Operations Centres for the combined tram business. We are currently in negotiation for a new location just outside the Melbourne CBD.

8> Is it true that we will be leaving Gertrude Street?

We are currently reviewing the distribution of RPOs and TAs. This may result in us leaving Gertrude Street. One of the plans being considered would result in TAs and RPOs being moved to other locations. We will provide you with further information as it becomes available.

9> Our trams are very dirty because passengers eat and drink on board and leave their rubbish behind. Can we have bins?

We know from experience that providing bins on trams actually creates more problems than it solves. In effect, bins encourage passengers to bring their rubbish with them onto the trams, leading to issues with bin overflow, unsavoury smells and hygiene, not to mention the questions of whose responsibility it is to empty the bins and how often this needs to be done.

Accordingly, our policy is instead to discourage eating and drinking on trams in the interests of passenger comfort. Improved signage and automated on-board announcements will be introduced in the next 12 months to deal with this. In addition, we will be reviewing all tram cleaning and implementing improved cleaning programs.

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ISSUE 05 > Thursday 18 March 2004



BEING PART OF YARRA TRAMS

Letters of offer to join Yarra Trams will arrive very soon and I hope you will accept your offer with an open and positive mind.

When joining Yarra Trams, you will be part of a company that expects to be – with your help – a world leader in tram operation. I am proud to say that Yarra Trams is a company with values and principles, which thrives in respecting them. I hope and trust that you will embrace them as well.

These values are the values of mutual respect, equal opportunity, open communication and collaboration. Together they combine to give to Yarra Trams goals that reach far beyond the usual goals of a private company. By the quality of our actions, we want to have an impact on Melbourne's society. Together, we can and will further enhance the lifestyle of Melburnians.

This is the overriding principle that drives us, and that will drive you, wherever you are within our organisation.

My personal wish for you is that you may be able to say with a sense of pride: 'I work in public transport, for Yarra Trams in Melbourne.'

Hubert Guyot
Chief Executive Officer

A NEW OPERATIONAL HEART

Exciting moves are afoot, and in the coming weeks Yarra Trams will have a new operational heart – a centralised Operations Centre in Eastern Road, South Melbourne, housing a single, strong and experienced operations team.

This exciting new concept will see the operations function separated from the corporate function of Yarra Trams, and will in effect create an operations headquarters.

Drawing together all the disparate operational functions currently run at different locations across Melbourne, the new centre will create a combined operational function in an environment that will become a showcase for state-of-the-art technology and world's best practice.

Part of this will be the Fleet Operations Centre, which will be linked to the VicRoads Control Room. Here, hi-tech expertise, including hook-ups to CCTVs on lampposts, will enable us to see incidents anywhere on the network as they happen, when they happen – we will be monitoring real events in real time.

The new Operations Centre will house all operations management staff, including traffic management and special events, together with a core group of Customer Service staff (the rest of whom will be based at the depots), the rosters department and technical services.

Consultation has of course commenced with stakeholders, and will be ongoing throughout the development process. Those directly involved

with the Operations Centre will naturally be part of this process.

Specifically designed to reflect the Yarra Trams vision of and commitment to customer service, the new environment will encourage synergies and teamwork, and foster concerted approaches to solving problems on the network. It will capture the best world practices of operations centres, and will prepare the necessary coordination of tram services for the upcoming Commonwealth Games.

YOUR SAY – EMPLOYEE FEEDBACK

We are first and foremost a public service, working for the benefit of the Melbourne community. As a public service, the human face of Yarra Trams is crucial. And the human face of Yarra Trams is of course its staff.

As a service provider we recognise that the Yarra Trams staff play a very important role in this business – indeed, frontline staff are our ambassadors every single day. So it is crucial that we hear your voice, and that we listen to your voice.

It was this thinking that led us to hold a series of employee feedback workshops in December 2003, in which we aimed to:

- > Find out how staff feel about Yarra Trams and the merger
- > Identify specific opportunities that Yarra Trams can pursue into the future
- > Identify the key messages that Yarra Trams should focus on reinforcing during the unification process.

Under the guidance of an independent facilitator, a broad cross-section of Yarra Trams employees took part in these workshops and have given us a huge amount of invaluable insight into how staff view the culture, strengths, weaknesses and future of Yarra Trams.

This week we have held a further series of workshops with M>Tram staff, and we will then consolidate all the feedback from all the workshops. 'Watch this space' for the results.

Many thanks to all of you who have taken this opportunity to express your feelings and your ideas.

Q+A FOCUS

On Track continues its series of answers to questions raised by you about the unification of Yarra Trams and M>Tram, and how it affects you and your work.

1 When will job offers be made?

Job offers will be made on Monday, 22 March 2004 via your Depot Manager or Supervisor.

2 How will I know if I have a job?

With the exception of a small number of positions, most staff will be made a job offer.

3 What happens if I do not get a job offer?

If you are not going to be made a job offer, you will be advised of this in person. You will also be advised by letter and your options will be discussed with you on the day.

4 Does the 'process of non-offer' involve both M>Tram and Yarra Trams?

As part of the normal Yarra Trams staff selection process, we will ensure that all staff meet our selection criteria ensuring a highly motivated and customer-focused workforce. As a result this process will affect both businesses.

5 What is the process for making job offers?

Yarra Trams has ensured that the process is fair and based on objective selection criteria, recognising skills and attributes for the positions.

6 How will people be advised if they are on any type of leave when an offer is made?

Staff are requested to leave details of where they can be contacted, ie address and phone numbers, with their manager prior to commencing leave.

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