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Broken promises all around at Qantas Holidays and uncertainty at QBT

Late on 12th May the Board of Jetset Travelworld Group announced a merger with Stella Travel Services after weeks of speculation that the deal was in the wind.

For Qantas Holidays employees this is the 2nd corporate upheaval in 18 months after their very successful and important Qantas business was sold to Jetset Travelworld in a share transaction which saw Qantas Holidays transferred to the Jetset Travelworld group (JTG) and Qantas Business travel remain a division of Qantas Airways Limited but become a "contractor" to JTG.

Since the original transaction the corporate web of JTG and Qantas has been spun and as you can see from the diagram over the page of this bulletin the inter-relationships currently have seen the staff numbers employed by QBT and Qantas Holidays move to companies like JTG Services Pty Ltd with lesser conditions and wages. This is not the fault of the staff in those companies it is the skilful use of the corporate veil and the previous industrial relations laws by management.

The corporate map is about to change again with Qantas only holding about 29% in the new JTG/ Stella Group – the ASU is looking at what it will all mean for all our members across the various companies and we will report back about this at meetings in the near future.

What we know so far...

At the time of the sale Qantas Holidays staff were told they would keep their staff travel minus interline travel and

would remain in the Qantas Super scheme, and finally still be able to internally transfer to positions in the Qantas group until around July 2011 (3 years after the sale).

This new merger sees 2 of the 3 promises made in 2008 broken as far as we can tell.

Staff travel - what they say now

According to correspondence to the ASU which apparently will be presented to staff at briefings by management, the unlimited ongoing staff travel with Qantas is now to only last for 3 more years from the date of the transaction – which means until August 2013 – a clear backdown on the original assurances.

This is a significant loss in benefits that must either continue or be compensated.

Superannuation

On Superannuation – in 2008 when the Jetset Deal was announced it was very important to staff in the Qantas defined benefit scheme i.e. in Divisions 2 and 3 that they stay in the Qantas Scheme.

That was achieved but now with the Stella merger we are told that Qantas Holidays will withdraw from the Qantas Superannuation Plan and set up a separate "successor" superannuation fund designed to provide defined benefits for members of Divisions 2 and 3 on the same terms and conditions as the Qantas Superannuation Plan. The question is how can it remain the same?

Superannuation is too important to play with.

Working with Qantas

In 2008 Qantas Holidays staff were promised that Qantas Holidays employees could continue to be able to apply for positions in Qantas until 24 July 2011 following the JTG transaction.

The ASU is told this will continue but we also know there have been significant problems in applying for jobs and getting access to vacancies – this needs to be revisited and the commitments made to staff honoured.

What about the EBA negotiations?

The ASU has already served the claim for EBA 9 and said we want Qantas Holidays to be included in EBA 9. Before the merger announcement the reply was that Jetset Travelworld wanted Qantas Holidays to have a separate agreement. We still intend to argue about this at the first meeting for EBA 9 on 13th May 2010. We will need to review our legal position given the latest merger developments and will report back to members about what we should pursue.

Negotiations for QBT will proceed as normal – there are 2 QBT delegates on our team who will make sure QBT members are fully represented.

If there is any positive from the whole situation it is that we are about to go into bargaining and so our issues of contention can be strongly advocated in the context of bargaining and we have a lot more opportunities to push for what we want than we did with the previous Jetset transaction.

We need to get organised and united as soon as possible and make sure every location affected by this merger is represented – we will only be as strong as our weakest link!

A membership form is attached to this bulletin

What's next?

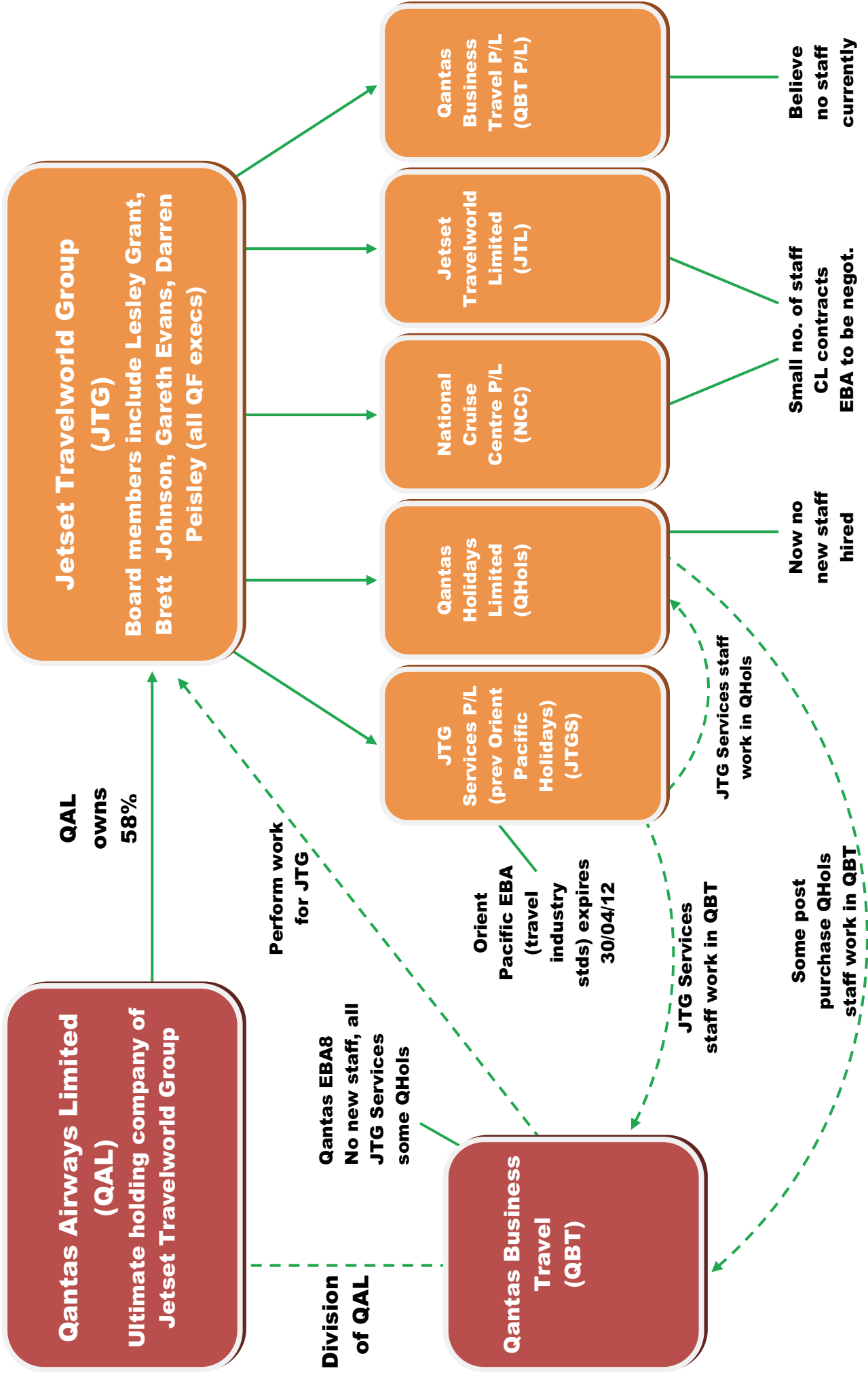
The ASU has called for urgent talks involving our delegates from across the JTG group it will not be acceptable for promises to be broken – it is important that all companies are represented. We also have asked for meetings for QBT delegates. We expect to have these discussions within the next week – we will then hold briefing meetings of members.

Contact your local ASU Organiser for more information.

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The Current Corporate Mix – as at 13 May 2010



NOTE: This diagram represents the relationships between companies and is not intended to represent the share ownership structure completely, and represents the structure pre stella merger proposal.