

ACTIVE STRONG UNITED



ASU members win in Award Modernisation Campaign

People power, strategic campaigning and the sheer determination of ASU members in the airlines industry has paid off with the Deputy Prime Minister Julia Gillard directing the Australian Industrial Relations Commission (AIRC) to reconsider the terms of the airlines modern award. The new award which was to come into effect on 1st January 2010 will now undergo a review in line with existing industry rates of pay and classification structures.

On 4th September 2009 the AIRC handed down its decision on the new airlines modern award. The new award was cut and pasted from the employers' wish list. Rates were slashed, existing conditions and allowances removed.

The new award represented two major threats to ASU members and their conditions of employment. The new award dramatically reduced the safety net in wages. Union agreements provide safe guards for members' existing conditions, however at the time of negotiations all agreements are tested against the industry award. A lower safety net would have meant that come negotiations time, those opportunistic employers could have used the new award to reduce existing conditions- and get away with it.

The second major threat was to job security. Unscrupulous employers would have had access to the new award with its

lower rates of pay to set up subsidiaries at a much cheaper rate, creating two tiers of workers. Past experience has proven that such companies use this two tier system as an opportunity to push out employees who have decent wages and conditions- replacing them with the cheaper alternative. Not only was the threat internal- but any new employer in the airlines industry would have had access to these lower rates, winning contracts from companies who pay decent rates.

ASU members get lobbying

ASU members weren't prepared to take these threats to their wages and conditions without a fight. The argument was a no brainer- all our members wanted was that the new modern award includes the wages and conditions as they already apply- simply put we just wanted what we already have.

From the day of the decision ASU members from around the company got on their computers and participated in the ASU campaign. Thousands of emails were sent to the Deputy Prime Minister and to the Minister for Transport Anthony Albanese. The emails asked the Deputy Prime Minister to intervene to ensure that our modern award reflected the industry's current wages and conditions.

continued page 3

BRANCH EXECUTIVE

President NARELLE CLAY	SOCIAL AND COMMUNITY SERVICES
Deputy President JOHN MAHER, ROBERT MCLEAN	MAREE MCDERMOTT AIRLINES SHIPPING & TRAVEL
Vice-President Women VIVIEN VOSS LYN BEVINGTON	DI HORAFIOS Executive Councillor SYDNEY WATER
Treasurer GEOFF FULLER	PAUL MULLER, LARISSA JAY
Branch Secretary SALLY MCMANUS	TRANSPORT DRAGAN BIRCEVIC, RODNEY MASTERS
Deputy Secretary MICHAEL FLINN	SOCIAL & COMMUNITY SERVICES
Vice-President SYDNEY WATER BILL WOTTON	DANNA NELSE, JORGE SEGOVIA
PORTS NOLA DYBALL	HUNTER WATER PETER HULL
TRANSPORT ROBERT HUCKER	AIRLINES SHIPPING & TRAVEL CRAIG CARR.

YOUR AIRLINES TEAM

AIRLINES, SHIPPING AND TRAVEL
COMMITTEE OF MANAGEMENT 2007 – 2011

President PAUL ROWE	Committee Member (Qantas) STUART CRANSTON
Vice President NEIL SCHUMACHER	Committee Member (Qantas) ROMINA AQUINCHAY
Branch Secretary SALLY MCMANUS	Committee Member (Qantas) SUSAN BAINES
Deputy Secretary MICHAEL FLINN	Committee Member FRANK HONACKER
Secretary/Treasurer CRAIG CARR	Committee Member HENRY FRANHEIM
Executive Member DI HORAFIOS	
Committee Member (Qantas) SLAVCO ZIPEVSKI	

Editorial Content: Sally McManus
Publications Coordinator: Erin Smith
We welcome your letters and comments

HOW TO CONTACT US

PHONE SYDNEY 9310 4000
OUTSIDE OF SYDNEY 1300 784 278

SYDNEY

39 - 47 RENWICK STREET REDFERN NSW
PO BOX 1865 STRAWBERRY HILLS NSW 2012

NEWCASTLE PO BOX 2268 DANGAR NSW 2309

LISMORE PO BOX 1056 LISMORE NSW 2480

ACT PO BOX 1012 DICKSON ACT 2602

FROM THE SECRETARY



Qantas workers are feeling rightly angered and betrayed yet again by their Board of Directors which has approved the final year payment of 11 million dollars to departing CEO Geoff Dixon.

Adding insult, this is the boss who almost succeeded in selling the company to a Private Equity group, Allco Finance, just months before the world was rocked by the worst financial crisis since the Great Depression. The Global Financial Crisis has devastated any company loaded up with debt and in the case of airlines; many of them are now teetering on the edge of oblivion. Qantas could well have been in that position if Dixon had succeeded in persuading enough shareholders to sell. Remember he and the Board had claimed the sale to Allco was in the best interest of the Airline!

'It is so blatantly hypocritical of Qantas management to be constantly appealing to staff to cut costs, and contain wage growth while at the same time handing over such an obscene sum to Dixon.'

During the past year of this financial crisis Qantas workers have been forced to use accumulated leave, watched as jobs were off shored, seen their overtime vanish and have had to handle the consequent loss of pay. For many this has put enormous financial pressure as working families are faced with the usual cost of raising kids and paying off their home loans. These costs continue to grow as wages shrink.

All this was done in the name of "cutting costs". Yet when it comes to looking after a "mate", there is suddenly money to splash around!

It is so blatantly hypocritical of Qantas management to be constantly appealing to staff to cut costs, and contain wage growth while at the same time handing over such an obscene sum to Dixon. The next time you are told how costs have to be cut and jobs have to be shed or outsourced, just remember the \$11,000,000 that was found to pay Geoff Dixon.

MODERN AIRLINES AWARDS

In late September, ASU delegates flew to Canberra to meet with 35 federal politicians, asking them to write to the Deputy Prime Minister requesting her assistance through intervention. The majority of politicians gave their support to the campaign, agreeing to lobby the Deputy Prime Minister.

Closer to home, ASU delegates from Sydney met with local members to gain their support for the campaign. Adding strength to their argument ASU delegates were able to present a local SIT petition with over 500 signatures on it. Individually ASU members were calling, emailing and writing off to their local members setting out how disastrous the new award would be for airlines workers should it come into force unchanged.

Then on 12th November 2009, after two months of lobbying, the Deputy Prime Minister wrote to the AIRC directing them to reconsider their decision in relation to the new modern award. The letter requests that the AIRC consider whether separate classification structures and rates of pay should be provided for ground staff in regional, domestic and overseas airlines operations and that they should take into consideration the existing structures and rates of pay. This reflects an acknowledgment by the Federal Government that ground staff will be disadvantaged by the current modern Award if it is not changed.

This is a huge victory for ASU members. The efforts of ASU members has proved that we are a force to be reckoned with. It sends a clear message to employers in our industry that we will not stand for substandard wages and conditions, be they determined by our award or our agreements.

The campaign continues

ASU members wait with positive anticipation for the outcome of this review. However what this process of award 'modernising' has proved is that we cannot sit back and rely on industrial relations legislation alone in doing away with threats to wages, conditions and job security. A better award does alleviate the immediacy of the threat to fair wages and conditions but the only way to secure this in our industries is to make sure that all members support each other and continue to participate. This means talking to your work colleagues who aren't in the union about joining and making your voice at work louder. This means talking to your industry colleagues about getting union agreements in their workplace with decent wages and conditions. The outcome of this campaign has shown that ASU members when mobilised can achieve great things- even influence the government.

AAE BARGAINING

In a continuing effort to forge a decent EBA, negotiations at Australian Air Express (AaE) have moved into their eleventh month but finally there is a light at the end of the tunnel.



In response to ongoing pressure from ASU members across the country, AaE has returned to the negotiating table with an offer that vastly improves their initial position of no pay increase with two \$500 bonuses linked to the achievement of performance targets.

The AaE response offer includes:

- Rolling over all existing EBA conditions until 31st December 2010
- \$500 sign on bonus (either cash, salary sacrifice or gift voucher)
- 2% pay increase effective first pay period on/after 1 January 2010
- Improvements to consultation clause – including consultation about changes to work practices
- Review of all classification levels within 2 months of certification
- Written commitment to provide suitable parking options for Sydney International employees

AaE has sought from the ASU a commitment to work with the Delivery in Full on Time (DIFOT) process though this is not linked to the above mentioned pay increase.

At the time of printing ASU members in Sydney International were meeting to accept or reject the proposal.

QFIT moving to IBM



In the same month that former Qantas CEO Geoff Dixon is paid some \$11 million dollars for a total of five months work, Qantas completed its culling of 178 jobs in its IT division (QFIT). The work, covering projects, segment services and architecture was transferred to IT giant IBM on 1st November 2009.

Qantas has remained tight lipped about the take up from QFIT staff, publicly stating the rate was 'positive'. The QFIT rumour mill claims that less than 35 percent of those offered took up the opportunity to work with IBM.

All staff in scope were offered the opportunity to transfer to IBM. However while IBM might be big in name, it is the company's industrial relations reputation that had concerned ASU members.

ASU members, many of whom are still in contact with their ex Qantas colleagues and who went to work with IBM after

the last outsourcing 'adventure', had been warned about the rigidity of the company's banding system (classification structure) and its one sided approach to conditions of employment. IBM uses policies and common law contracts to govern conditions of employment. Staff have no say in when or if policies are changed, and IBM has a loose interpretation of transferring common law contracts.

Armed with this information ASU members engaged in a 'keep your cards close' campaign. By sticking together and creating an environment of uncertainty for IBM, members were able to get a number of key commitments:

- All conditions of employment (with the exception of staff travel and bonuses) will transfer with all employees and will continue to operate until new conditions are negotiated
- Former QFIT staff will remain on the Qantas account in the foreseeable future
- Former QFIT staff will not be forced to work interstate unless they wish to

These commitments from IBM protect existing conditions and with changes to industrial relations legislation, provide a strong basis on which to start negotiations for an IBM agreement. Under new laws employers are required to bargain in good faith, meaning that IBM can no longer hide behind its policies.

The ASU has written to IBM to initiate bargaining for an Enterprise Agreement. This Agreement will lock in and make enforceable your conditions of employment. Under the new Fair Work Law – no company in Australia can refuse to bargain.

Our Union's Environment Network



The ASU Environment Network held its first meeting on 10 September. The Network is open to all ASU members interested in contributing ideas about the Environment and Climate Change. In the first meeting the Network set its Terms of Reference and had an open discussion about the members interests, ideas and involvement in the areas of the environment and climate change. The Terms of Reference for the group are;

- To provide a forum for ASU members to exchange views on climate change issues.
- To provide policy advice to the ASU Committees of Management.
- To support ways in which members and delegates can be active in supporting climate change action in their workplaces

and communities. The Network is due to meet again in November and welcomes any member who would like to join us. If you would like to get involved or would like more information please contact Emily Mayo (emily@asu.org.au or 02 9310 4000).

UNION CLIMATE CONNECTORS

We have recently sent an email to all members inviting you to join Union Climate Connectors a joint initiative of Unions Australia (the ACTU) and The Australian Conservation Foundation (ACF). Climate Connectors offers Union members an opportunity to get informed and get active about Climate Change. Climate Connectors will provide members with the tools and information they need to make a difference in their homes, workplaces, and communities.

To get involved go to www.climateconnectors.org

ASU & FAAA MEMBERS HEAD TO CANBERRA

ASU members were not alone in their fight to have decisions about modern awards overturned. The modern award made by the Australian Industrial Relations Commission (AIRC), covers domestic flight attendants and attempted to remove rostering work rules and protections for pregnant flight attendants.

In September members and officials of the ASU and the Flight Attendants' Association of Australia Domestic/Regional Division (FAAA) joined forces lobbying politicians in Canberra. Over two intense days groups saw 35 politicians, and united with one clear message – **that cuts to wages and conditions in both of our industries cannot be allowed to continue.**

The ASU NSW and ACT Services Branch was well represented with members Paul Rowe, (Qantas SIT), Trish Delaney (Qantas Load Control), and Yervant Wazir (Qantas Integrated Operations Centre) and Henry Framhein (Menzies Aviation).

The delegation spoke at length about how these new awards would impact on both the ASU and FAAA members. It was these personal stories that gave the politicians real insight into what our industry faces. Each



MP and Senator was asked to contact the Deputy Prime Minister Julia Gillard as the minister responsible to raise the ASU and FAAA's concerns and as a result she has issued a direction to the AIRC to fix the problems.

TOLL DNATA EBA CAMPAIGN

Negotiations for the Toll Dnata Collective Agreement started this month in Sydney with ASU representatives flying in from Melbourne and Brisbane to put forward the case for a fair and decent agreement.

Also present was ASU National Assistant Secretary Linda White, and ASU NSW Organiser Lauren Hutchins. Representing Toll Dnata was Gary Taylor, Ben Armbruster and Alfred Bollard.

This is an exciting time and is a great opportunity to improve the wages and conditions of ASU members working in Toll Dnata.

The ASU put its claim to improve current conditions on the table. At the core of the claim is a 5 per cent pay increase and a move toward conditions such as shift penalties, industry allowances and overtime, as well better rostering and breaks and transparency on selection processes. Also discussed was the proposal put by Toll Dnata management which is essentially the ITEA/AVA that operates in Sydney and Brisbane. ASU reps highlighted a number of concerns:

- The ability to be made to work 14 days straight
- Overtime only available after 1786 are hours worked per year
- The rate of pay. Uncertainty over how to calculate the rate of pay
- Lack of penalties for shift, weekend and public holiday work

The meeting ended with the ASU and Toll Dnata agreeing to respond to a number of questions raised about each other's claim.

THE ASU WOMEN'S NETWORK

domestic violence

The Women's Network meets quarterly to discuss issues that affect women across the Union movement. The Network aims to create and maintain a union that supports and promotes women within the ASU.

The November meeting will be addressed by Ludo McFerran from the Australian Domestic and Family Violence Clearinghouse. Ludo will speak about how the union movement can play a role in the campaign against Domestic Violence.

The agenda will also cover the upcoming women's network event in Parramatta, and a proposal for an ASU activist mentoring program.

The meeting will be held in Redfern with teleconferencing facilities for those that want to dial-in: Level two, ASU office 39 Renwick St, Redfern (Close to Redfern & Central Stations), at 5.30pm, Monday 16th of November 2009
RSVP: donna@asu.org.au (Donna Cooper)
Refreshments will be available.

ASUWN

KNOW YOUR RIGHTS AT WORK FACT SHEET 8: BARGAINING UNDER THE NEW FAIR WORK LAWS

The new Fair Work Act, which gives working people added protection and secures your right to bargain with your employer, was introduced on the 1st July 2009. It is important that we understand the benefits that this new legislation can bring.

The Fair Work Australia legislation acknowledges that collective bargaining is the national standard for negotiating workplace conditions and entitlements. The Howard Government's legislation tried to take away the ability for employees to collectively bargain for their entitlements. Now this right is back and cemented.

Your Rights under the Act:

Collective Bargaining is the process where employees, employers and bargaining representatives bargain for an enterprise agreement.

The new collective bargaining rights give you a guaranteed right to get together with your workmates and negotiate with your employer the terms of your employment. You are also guaranteed the right to be represented by a bargaining agent of your choice, like your union.

No one can coerce, intimidate or limit your ability to collectively bargain. There are now legal protections for all working Australians to work together to improve their working conditions. Bargaining must be done in good faith, which means all parties must come to the bargaining table in the spirit of true negotiation.

All it takes is over 50% of your workmates to decide you would like a collective agreement. The effect of the new law is that Fair Work Australia can make orders requiring your employer to listen to you and start negotiating with you and your bargaining agent, if your employer does not agree to bargain.

FWA will approve an agreement if it:

- Has been genuinely agreed to by employees
- Does not contravene the National Employment Standards (NES)
- Passes the better off overall (BOOT) test
- Contains the mandatory terms
- Does not contain unlawful terms

What can we bargain about?

Under the new legislation we have many more options about what we want to include in the agreements that define our working arrangements. We can now bargain about matters that pertain to the relationship between an employer and an employee. This includes penalties, allowances, wages, training and leave entitlements.

We can also include matters pertaining to the relationship between an employer and employee. This means we can bargain to get delegate training leave, leave to attend union functions and allow the union structures to represent you in your workplace.

**More information can be found at
the FWA website www.fwa.gov.au**

INTERNATIONAL NEWS

THE WOMEN OF CAMBODIA. UNION AID ABROAD – APHEDA'S TAX APPEAL

On the UN's Human Development Index, Cambodia ranks 136 out of 179, putting it behind such countries as El Salvador, Sri Lanka and Burma. While Cambodia has made some advances in reducing poverty rates in the last decade, most of this reduction has occurred in the capital Phnom Penh and other large provincial towns. For those households where agriculture is the primary source of income, poverty is much more likely. In fact, 90 per cent of Cambodia's poor live in rural areas. As the economic environment falters across the world, more and more rural women are finding themselves underpaid, exploited, or simply without any income at all.



Women learning fish breeding in Cambodia

Why contribute?

Funds raised in this appeal will be used in areas such as women in the unions.

While unions exist in Cambodia, women's voices are seldom heard within the union movement. Women are rarely involved in union decision-making and few occupy the top positions of union leadership. It is vital that this imbalance is addressed.

Union Aid Abroad-APHEDA, along with our partner organisations in Cambodia, runs both skills training and union development projects which we hope you'll support. With the rise in unemployment and urban to rural migration, they are in great need of expansion. As we mark our 25th year of training and development projects, we ask you to assist us with as much as you can, to strengthen opportunities for these women and empower them with real skills to improve their livelihoods and that of their communities.

How to Donate

Go to the APHEDA website and make a credit card donation using the secure internet form. Go to SECTION C & click on "End of Financial Year Appeal". Or Phone us on 1800 888 674 (toll free) and have your credit card details ready. Or send a cheque or money order made out to:

APHEDA EFY Appeal

Level 3, 377 Sussex St, Sydney NSW Australia 2000

Include your name and address so that a receipt can be sent to you.

THANK YOU!

12 months of Joyce

This November Alan Joyce racks up his first full year as Qantas CEO. It is often said that first impression last and in the last 12 months Joyce has left many Qantas workers less than impressed.

While many were glad to see the back of former CEO Geoff Dixon, Qantas workers were fearful at the installation of the former Jetstar CEO at the head of the flying kangaroo. They were fearful of what has now been described as the 'Jetstarising' of Qantas, the race to cut costs through a reduction in staff entitlements and the service provided to passengers.

There was a glimmer of hope when in March 2009 Joyce announced that he was culling his senior executive team by 90. Overnight the proverbial head got a haircut – but no one in Qantas noticed. What was supposed to position Joyce as making the tough decisions – doing away with his own people – merely highlighted how badly Qantas had stacked the top in recent years.

Just one month later came the real reason for the 90 job bombshell – to soften the blow when Joyce announced 1,750 redundancies across all areas. These are 1,750 people with no golden handshake, with limited prospects in the industry they love – and in many cases – have worked their entire lives.

With this hanging over their heads, Qantas workers were then (and still are being) subjected to programs of forced annual leave. Qantas workers who had for years had their leave denied were now being forced to take leave, uncertain of the job they were returning to. This is the (un)natural attrition strategy, where workers are so battle fatigued from being over worked, then forced on leave, having their job security threatened, that they resign. Those managers who have aggressively pursued the annual leave program and the most 'strategic' of Qantas managers have been rewarded with new positions.

When they weren't being forced on leave, Qantas workers were being forced to attend training at the newly built (and at a cost of \$10 million) Qantas Centre of Service Excellence.

Employees with over 20 years experience in delivering a premium customer service spent a day in training learning to deliver premium customer service. Surely this was not as justification for the absurd amount of money spent?

Then the redundancies started. In the ASU ranks hundreds of workers were told that Qantas no longer required their positions. In QFIT 178 jobs were outsourced in one fell swoop. Whole parts of the business-like sections of flight training were earmarked for complete closure.

Here's an idea for cutting costs. STOP PAYING EX STAFF RIDICULOUS AMOUNTS OF MONEY. This month much to the disgust of Qantas workers around the country, Darth Dixon himself returned to collect \$11 million. There is only one hurdle to this most generous of golden handshakes. It appears that shareholders, like Qantas workers, aren't too pleased about the payout. Large shareholder groups are intending to reject the Qantas Remuneration Report to be handed down at the Qantas AGM held in late October.

So twelve months on, what an impression! While he may

JOYCE'S AGENDA IS NONE TOO DIFFERENT FROM HIS PREDECESSOR: REDUNDANCIES, REDUCING STAFF MORALE, REWARDING THE CRONIES.



have swept out the old Dixon crew, Joyce's agenda is none too different from his predecessor: redundancies, reducing staff morale, rewarding the cronies. What could have been an opportunity to start afresh has turned into the sequel no one wanted to watch, least of all the tens of thousands of loyal employees. It appears that Joyce might need some encouragement in creating a new impression, and with the ASU agreement up for negotiations next year it might be ASU members that help him get there.

A range of low rate,
low fee home loans

High interest on transaction
and savings accounts

One of Australia's cheapest
personal loans*

Award winning MasterCard*



Make the switch to low cost banking and save.

Members Equity Bank is 100% owned by some of Australia's leading Super Funds and was created to provide members with access to convenient, low cost banking. Mobile Lenders that come to you to discuss home loans, internet banking and a friendly Australian based Customer Contact Centre help deliver lower costs, better rates and a more enjoyable banking experience.

Make the switch and save on home loans

Low interest rates, no application or ongoing account keeping fees. Variable, fixed or split loans, with top-up and redraw options.

Slash your credit card costs

Low annual fee, low interest rate, up to 44 days interest free on purchases and no charge for additional cardholders.

No account keeping fees

With the InterestME Savings Account and Online Savings Account there are no account keeping fees and you earn a high interest rate.

One of Australia's cheapest personal loans

No ongoing fees, no fees for early repayment and a low establishment fee.



A•S•U

To find out more call **1300 309 374**
or visit www.membersequitybank.com.au



**MembersEquity
Bank**

*Money Magazine, Best of the Best, Awards, Bank Category 2008, Bronze Winner, Cheapest Personal Loan. *CANNEX 5 Star Rating November 2007. Fees & charges apply. Terms & conditions available on request. Applications subject to credit approval. This is general information only, you should consider if these products are appropriate for you. Members Equity Bank Pty Ltd ABN 56 070 887 679 AFS Licence: 229500. 98706 ASAD04/0708



FIRST STATE SUPER

FSS Trustee Corporation
ABN 11 118 202 672 AFSL 293340

Make a **BIG** difference

Choose your future with First State Super

- Not for profit industry fund and no commissions paid
- Best fee deals for superannuation and retirement funds that anyone can join¹
- One of the largest super funds in Australia with over \$17 billion in assets and 530,000 members
- Competitive investment returns – top quartile returns from the Trustee's default options and above median returns for investment options included in the SuperRatings Fund Crediting Rate Survey for 30 June 2009²
- Great options for your super while you work and when you retire!



To find out how to join visit www.firststatesuper.com.au and click on Join First State Super.

■ Phone: 1300 650 873 ■ Email: enquiries@firststatesuper.com.au ■ Web: www.firststatesuper.com.au



Consider the First State Super Product Disclosure Statement (PDS) before deciding whether becoming a member of First State Super, or continuing your membership, is right for you. To obtain a PDS visit the website or call us. Issued by FSS Trustee Corporation ABN 11 118 202 672, AFSL 293340, the Trustee of First State Superannuation Scheme ABN 53 266 460 365, October 2009.

¹ SelectingSuper, a company of Rainmaker Information Pty Limited ABN 86 095 610 996, describes the best fee deal for superannuation funds as the best overall fees payable, where overall fees are calculated for a member earning around \$50,000 pa and who has \$50,000 in their super fund's default investment option. It describes funds that you can join as a private individual. Under Fund Choice (if you qualify) you can also direct your employer contribute your superannuation into these funds. The best fee deals across all retirement funds describes the best overall fees payable, where overall fees are calculated for a member with an initial deposit of \$100,000 and receives 12 monthly pension payments all invested in the fund's default investment option. Research dated June 2009.

² SuperRatings Pty Ltd ABN 95 100 192 283. The SuperRatings Fund Crediting Rate Survey uses crediting rate returns that are net of investment fees, tax and implicit asset-based administration fees. Explicit fees such as fixed dollar administration fees, exit fees, contribution fees and switching fees are excluded. All net return information is sourced directly by the super funds. It is assumed net return calculations are based on hard close exit prices or comparable prices where a super fund does not calculate a hard close exit price. Past performance is not a reliable indicator of future performance.

DIFFERENCE: 1009