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27 February 2017

Vice President Catanzariti
Fair Work Commission
80 William Street
East Sydney NSW 2011

By email: chambers.catanzariti.vp@fwc.gov.au

Dear Vice President,

Re. AM2014/254 Airline Operations – Ground Staff Award 2010

We refer to the above matter and proceedings before the Fair Work Commission (**Commission**) on 14 February 2017 (**First Conference**) and further proceedings listed on 28 February 2017 (**Second Conference**) regarding the 4 yearly review of the *Airline Operations – Ground Staff Award 2010* (**Award**).

Since the First Conference, the following interested parties have participated in discussions regarding outstanding technical and drafting issues arising from the *Exposure Draft – Airline Operations – Ground Staff Award 2016* (**Exposure Draft**) and certain substantive variations sought to the Award:

- The Australian Industry Group (**Ai Group**);
- The entities within the Qantas Group;
- The Australian Manufacturing Workers' Union (**AMWU**);
- The Australian Workers' Union (**AWU**);
- The Transport Workers' Union;
- The Australian Licensed Aircraft Engineers Association;
- The Australian Services Union.

The purpose of this correspondence is to advise of the outcome of those discussions in relation to some of the outstanding technical and drafting issues. We anticipate that other outstanding matters will be the subject of discussion during the Second Conference.

Item 6: Facilitative Provisions

During the First Conference, it was agreed between the parties in attendance that clause 16.1(d) and clause 16.2(e) of the Exposure Draft should be amended such that they enable agreement between an employer and the majority of employees as well as an employer and an individual employee (PN210 – PN214 of the transcript). Ai Group



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undertook to provide to the Commission with proposed wording in relation to the aforementioned clauses (PN219 of the transcript).

Pursuant to discussions between the aforementioned parties, we understand that it is agreed that clauses 16.1(d) and 16.2(e) of the Exposure Draft should be replaced with the following:

16.1(d) An employer and the majority of affected employees in an enterprise or part of an enterprise may agree to stagger meal breaks to meet the operational requirements, instead of this provision. An employer and an individual employee may also reach agreement in this regard.

16.2(e) An employer and the majority of affected employees in an enterprise or part of an enterprise may agree to stagger meal breaks to meet the operational requirements, instead of this provision. An employer and an individual employee may also reach agreement in this regard.

Item 10: Casual Employment

During the First Conference, certain parties indicated their opposition to Ai Group's submission that clause 11.1 of the Exposure Draft should be replaced with clause 11.5(a) of the Award.

We understand that it is now agreed between the parties that Ai Group's proposal should be adopted; that is, clause 11.1 of the Exposure Draft should be replaced with the following:

11.1 A casual employee is an employee engaged as such.

Item 14: Apprentices – travel payment for block release training

During the First Conference, agreement was reached as to the manner in which clause 12.17 of the Exposure Draft should be amended to address a concern raised by the AMWU. The Commission requested that the clause, as amended, be provided in writing (PN415 – PN419 of the transcript).

Accordingly, we here set out an amended clause 12.16, which should replace clauses 12.16 and 12.17 of the Exposure Draft:

12.16 Travel payment for block release training

- (a) Where an apprentice is required to attend block release training for training identified in or associated with their training contract, and such training requires an overnight stay, the employer must pay for the excess reasonable travel costs incurred by the apprentice in the course of travelling to and from such training.
- (b) Clause 12.16(a) will not apply where the apprentice could attend an alternative Registered Training Organisation (RTO) and the use of the more distant RTO is not agreed between the employer and the apprentice.
- (c) For the purposes of clause 12.16(a), excess reasonable travel costs:

 - (i) include the total costs of reasonable transportation (including transportation of tools where required), accommodation costs incurred while travelling (where necessary) and reasonable expenses incurred while travelling, including meals, which exceed those incurred in travelling to and from work; and
 - (ii) do not include payment for travelling time or expenses incurred while not travelling to and from block release training.
- (d) The amount payable by an employer under clause 12.16(a) may be reduced by an amount the apprentice is eligible to receive for travel costs to attend block release training under a Government apprentice assistance scheme. This will only apply if an apprentice has either received such assistance or their employer has advised them in writing of the availability of such assistance.

Item 23: Multiple shift allowance

In response to concerns raised by some interested parties regarding clause 17.6 of the Exposure Draft, the parties agree that it should be replaced with clause 30.6 of the Award.

We here set out the terms in which clause 17.6 should accordingly appear:



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17.6 Multiple shift allowance

- (a) If a shiftworker in any roster week is required to work three shifts that commence at times that are greater than 30 minutes apart they must be paid an allowance of **\$4.07**.
- (b) If a shiftworker in any rostered week is required to work three or more shifts, and there are greater than three rostered starting times with a difference in excess of 30 minutes, they must be paid a further allowance of **\$4.61** for each such starting time in excess of three.

Item 37: Schedule C to the Exposure Draft

As identified during the First Conference, we note that Schedule C does not contain the allowances found at clause 19.7(e) of the Exposure Draft (clause 21.24 of the Award). As a result, the Exposure Draft does not set out the manner in which those allowances are to be derived.

As previously submitted, we consider that any further iteration of the Exposure Draft should be amended to include those allowances in Schedule C.

Item 40: Overtime

It is our understanding that the AWU's submission is now withdrawn.

Items 44 – 45: Schedule B to the Exposure Draft

Ai Group has raised a concern regarding the reference to “ordinary hourly rates” in the tables contained at Schedule B. In order to address the matter we have raised, it is proposed that the following amendments be made to Schedule B:

- Insert a new B.1.3 in the following terms:
 - B.1.3** The minimum rates in the tables below do not contain any all purpose allowances. Where an employee is entitled to an all purpose allowance, an employee's ordinary hourly rate is calculated according to B.1.1.
- Each table in Schedule B be amended by replacing “% ordinary hourly rate” with “% minimum hourly rate”.

This proposal has been the subject of brief discussion between interested parties. As at the time of drafting this correspondence, we understand that certain interested parties are still considering their position in relation to it.



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Yours sincerely,

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