



10 October 2007



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❖ NOTICE ❖

TO: ALL QANTAS ALAEA MEMBERS

RE: LAME EBA VIII UPDATE - PROGRESS

The ALAEA negotiating committee has continued to meet with Qantas, the most recent being 8th October 2007.

It has been the position of the current Federal Executive not to disclose its strategy to achieve the desired outcomes, as to do so may damage our bargaining position, hence feedback notices have only been issued when the state of negotiations have progressed or have changed. Given recent events it is now prudent to inform our members of the status of negotiations.

Over the past few weeks the Federal Office and ALAEA Representatives have received feedback from members pertaining to Qantas Engineering's Senior Management "roadshows" and it has been communicated to us that these talks have created an air of expectation that the differences between the parties are insignificant and that a deal would be reached at the meeting scheduled for Monday the 8th of October 2007.

Further, in a recent email by Qantas management to QF LAMEs it was suggested that, "*the bottom line is that we always prefer to close EBAs promptly, provided we get an appropriate business outcome.*"

The ALAEA Negotiating team attended this meeting with the above in mind and prepared to negotiate an appropriate settlement in good faith knowing that the above Qantas remarks were incorrect and unfortunately misleading.

The Federal Executive of the ALAEA believe that it is Qantas LAMEs that have underpinned an enviable safety record, made sacrifices, co-operated and led workchange that has put Qantas into a position within the market that has achieved unprecedented fleet utilisation, record passenger yields and record profits. All this despite reducing the LAME workforce by over 300 in the past two years with more to go, an estimated ongoing saving to Qantas of \$23M per year.

The ALAEA would prefer to settle the EBA as quickly as possible, and your Negotiating team is doing its very best, but we will not do this unless we can achieve a positive suitable outcome for our membership.

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"To undertake supervise and certify for the safety of all who fly."

The ALAEA presented some remuneration package suggestions in pursuit of our 5% per annum wage increase claim and other remuneration issues, which evolved into a free flowing exchange of ideas and concepts in an attempt to appease the needs of both parties.

Unfortunately negotiations fell short from satisfying either party's aspirations. To date Qantas have not tabled a total remuneration package and until this happens we cannot move forward.

Qantas continues to promote an environment of equality throughout the group yet this does not extend to remuneration of its people. As a result of record profits the board of Qantas has applied its own discretion in rewarding themselves with remuneration packages of up to 48% whilst the people that achieved those results on their behalf cannot realise a 5% increase.

Feedback from our membership suggests they are in an incomprehensible position regarding the remuneration package increases offered to their superiors and are disillusioned as to when the day will come when the employee ALAEA members efforts are recognised.

The ALAEA will continue to negotiate in good faith.

It is the intention of the ALAEA to hold feedback meetings with our Site Representatives as soon as practicable and members are encouraged to contact their local ALAEA Representative to communicate what is acceptable to you as an outcome.

The Federal Executive is elected by the members to act on behalf and for the members; all Federal Executive members are prepared, with members' support, to deliver the desired outcomes.

A further meeting is scheduled for the 18th of October to attempt to establish an outcome, which rewards LAMEs for their achievements in contributing to and providing continual support to the airline to place it in a position as a market leader and world's best practice.



Wayne Vasta
Federal Secretary (Acting)