

29<sup>th</sup> October 2009



25 Stoney Creek Rd Bexley 2207 NSW  
Ph: (02) 9554 9399 Fax: (02) 9554 9644  
Email: [alaea@alaea.asn.au](mailto:alaea@alaea.asn.au)  
Web: [www.alaea.asn.au](http://www.alaea.asn.au)  
ABN: 84 234 747 620

# ❖ NOTICE ❖

**TO: VIRGIN MEMBERS**

**RE: ENTERPRISE AGREEMENT UPDATE 6**

---

A couple of letters between Virgin and the ALAEA were exchanged yesterday. Copies are attached to this notice.

Tonight between the hours of 2100 and 2300, we will be running feedback meetings for members in Sydney. All Engineers be they members or not are welcome to attend. Approval has been received for staff to attend during meal times. As is normally the case in Line Maintenance environments the meal time is floating and not fixed. Anyone wishing to attend should advise their Supervisor that they intend to take a meal break at either 2100 or 2200 so we can discuss the current status of Enterprise Agreement negotiations.

At this stage Virgin have not allocated a venue. The ALAEA has requested for convenience sake that the crew smoko room be made available. If there are any objections to this arrangement your Supervisor should be able to advise where the meeting will take place.

For those staff on day shift tomorrow, Friday the 30<sup>th</sup> October, similar meetings will take place between 1200 and 1400. Again a venue is yet to be advised and you should consult your Supervisor on the arrangements.

Engineers wishing to attend the meetings whilst on days off are welcome to do so but further meetings will be scheduled shortly during normal working hours for the opposite shifts.

**STEVE PURVINAS**  
Federal Secretary

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



27 October 2009

Steve Pervinas  
Australian Licenced Aircraft Engineers Association  
By Email: purvinas@bigpond.com

Dear Mr Pervinas

### Collective agreement at Virgin Tech

As foreshadowed in our meeting on Monday, I write to confirm our concerns about your conduct in the negotiations for an agreement to cover Virgin Tech engineers.

As you are aware, Virgin Tech has not previously had a relationship with the ALAEA, nor has it ever engaged in bargaining with the ALAEA about the terms of a collective agreement. That in itself is not a concern for us – the Virgin Blue Group has formed relationships with a number of unions over the years and is used to and quite comfortable negotiating collective agreements with unions to cover its Team Members. While recent changes to federal industrial laws may have changed some of the ground rules, the Virgin Blue Group is comfortable with and indeed generally supportive of the changes.

Consistent with the above, we have said repeatedly to our Team Members at Virgin Tech and to you that we are committed to negotiating an agreement to cover engineers. Indeed, the negotiations for a collective agreement at Virgin Tech are a natural progression of the consultation we had with Virgin Tech Team Members over a number of years.

We are also committed to conducting the negotiations in good faith. And we recognise (and will support) the role of the ALAEA (as we do the AMWU and Team Members who do not wish to be represented by a union) in the process.

It is in the above context that we wrote to you before the ALAEA applied to Fair Work Australia for a majority support determination and confirmed that we were happy to meet and explain to you our proposals moving forward. Indeed, we suggested a date and time for an initial meeting. Had you in fact attended that meeting, you would have realised that an application for a majority support determination was unnecessary. Somewhat surprisingly however, you saw fit to apply for a majority support determination *before* the meeting, but even that was discontinued when (at your request) we wrote to you again the day after the hearing and reconfirmed our willingness to meet and negotiate.

Leaving the above aside, it is of great concern to us that you have engaged in conduct over the past few weeks which in our view demonstrates that you are intent on undermining collective bargaining. And what is of most concern to us is that you have engaged in this conduct at a time where the parties ought to be making efforts to establish a constructive working relationship. This was discussed with you in Monday's meeting with Richard Tanner.

Specifically, we have asked you on two occasions (21 September and 26 October) to commit to some guiding principles for the negotiations. For completeness, these are **attached**. During yesterday's meeting, some of these principles were amended to provide further clarity or to make them more acceptable to the parties. The principles include a commitment (number 4) by all



Virgin Blue Airlines Pty Ltd ABN 63 090 670 065  
20 Box 1084 Spring Hill QLD Australia 4004. Phone +61 7 3295 3000 Fax +61 7 3295 9006.

Group Airlines



pacific blue

polynesian blue

Australia





parties to not use media to undermine the bargaining process. From our perspective, this commitment is essential to the bargaining process and consistent with the good faith bargaining obligations in the *Fair Work Act*. It is also inextricably linked with commitment 12, namely our proposal to share commercially sensitive information with members of the negotiating committee and to expect that this information is kept confidential. On both occasions however, you have refused to commit to these guiding principles (in particular, commitment 4). We request that you reconsider your position and commit to all of the guiding principles.

We also request that you stop making statements to the media which are untrue, disrespectful and damaging to our Team Members (in particular, your members) and the organisation and in our view, clearly intended to undermine collective bargaining. A prime example is the media release you issued last week about the wheel incident. Contrary to your release and subsequent statements to the media:

- The particular wheel did not disintegrate on landing;
- Wheels are not routinely falling off our aircraft;
- The maintenance changes we are implementing are introducing more not less maintenance; and
- We are not "skimping" on maintenance.

We also request that you stop making statements to our Team Members that are untrue, mischievous and damaging and in our view, clearly intended to undermine collective bargaining. A prime example is the presentation you issued to Virgin Tech Team Members a few weeks ago entitled "*Virgin Engineers Wage Negotiations*". That presentation includes, among other things, statements about what Virgin Tech wants for the future. As I indicated in my email related to this, you had no basis to make these statements. Indeed, Virgin Tech had not even responded to your log of claims when you issued the presentation. As far as I am aware, you have not sought Virgin Tech's views in another forum. In the circumstances, it appears that the statements made by you about what Virgin Tech wants were fabricated.

We also request that you stop making threats about what you will do if we do not accede to the ALAEA's claims. The threats include organising work to rule campaigns, work practices that delay aircraft and distributing leaflets about alleged poor safety at Virgin Blue to our Guests. No doubt you will say that any industrial action you organise will be protected, but a precondition to that is that you genuinely try to reach agreement. So far, we have seen very little, if any, evidence of that.

As explained yesterday, I believe that your recent conduct is unacceptable and has set back the negotiations considerably. I also believe that your recent conduct is seriously prejudicial to the members you purport to represent. However, I wish to give you an opportunity to re-establish our relationship and continue negotiations from a positive start. Failing that, I put you on notice that Virgin Tech will seek bargaining orders against you on the basis that we can then resume negotiations with other parties.

Please respond to me in writing by close of business this Friday. I await your reply.

Yours faithfully

Laura Jones  
Principal Leadership Advisor





## Virgin Tech EBA 2010

### Guiding Principles

The following is a list of guiding principles that were discussed and noted at the meeting on 21 September 2009 and further updated on 26 October.

1	All members of the negotiation committee will treat each other with respect throughout the negotiations
2	In accordance with workplace relations legislation, all members agree to bargain in good faith
3	The intent of the negotiations is to reach an agreement that is mutually beneficial to all parties
4	The use of the To not use media (TV, radio, newspapers) to further either stakeholders position and undermine the bargaining process will not be acceptable
5	Genuine consideration will be given to all claims made under the respective Log of Claims
6	A core group of representatives will be present at each meeting to ensure consistency around discussions
7	Where additional delegates are to attend negotiation meetings this will be subject to operational considerations
8	Where operationally viable, efforts will be made to accommodate team members who are nominated delegates and are requesting to appear at negotiation meetings
9	A definitive Log of claims will be tabled by all parties and will form the basis of negotiations
10	Minutes will be taken at each of the negotiation meetings for the purpose of clarity and consistency
11	Budgetary constraints need to be considered and some claims may have to be balanced against offsets
12	VT Management will share commercially sensitive data with members of the negotiating committee and will do so in confidence

reservations.virginblue.com.au or 13 6789



Virgin Blue Airlines Pty Ltd ABN 68 090 670 666

P.O. Box 1084 Spring Hill QLD Australia 4004. Phone +61 7 3295 3000 Fax +61 7 3295 9996.

Group Airlines



pacific blue

polynesian blue

V Australia



28 October 2009

Ms Laura Jones  
Principal Leadership Advisor  
Virgin Blue  
Via email: Laura Jones [laura.jones@virginblue.com.au]



25 Stoney Creek Rd Bexley 2207 NSW  
Ph: (02) 9554 9399 Fax: (02) 9554 9644  
Email: alaea@alaea.asn.au  
Web: www.alaea.asn.au  
ABN: 84 234 747 620

Dear Laura,

**Re: Collective Agreement at Virgin Tech**

I write in response to your letter dated today regarding the wage discussions currently taking place. I will commence by correcting some errors contained within your correspondence and then detail the current ALAEA position.

Virgin wrote to us on 5 August 2009 and agreed to meet and explain their intentions on moving forward. We wanted to negotiate an agreement. Your offer to sit down with us and explain what you intended to do, particularly the move to directly roll out changes to the expired AWA's, did not meet our expectation and failed to enact the trigger for us to seek enforcement of the good faith bargaining provisions of the Act. Our view was shared by Commissioner Raffaelli at the hearing you decided not to attend, and I quote:

*"In what's before me and particularly what's in the documentation and the submissions, I am satisfied at least at this point, that the response from the employer does not indicate that they have yet agreed to bargain or have initiated bargaining in any way. Being prepared to sit down and listen to what their intentions are about moving forward is not anything like agreeing to bargain, so at least for now, there's no impediment to the Commission making an order"*

That outcome and impending orders led to your agreement to negotiate a collective Agreement. We have not been brought together through an act of kindness by Virgin, it is our right, and one we exercised in order to move towards a collective Agreement for our members. We are not in the business of leaving open legal loopholes for you to frustrate and delay negotiations further.

Your view of our actions is simply your view. We also have a view and will reserve our right to raise legitimate safety concerns in any forum we choose as it is in the public and our member's interest to do so. With Virgin constantly reducing safety standards by introducing new procedures that see persons of lesser maintenance qualifications carrying out vital inspections and procedures on your aircraft, it cannot be said that any of our public statements are anything other than accurate. You have threatened legal action against us, I note Virgin have failed to initiate those proceedings. As an employee and Official of the ALAEA, I will not bend to or take seriously veiled threats.

Unlike Virgin employees, my employment cannot be subliminally threatened because I hold a different view or act in a way not endorsed by Virgin management. One day, your constant reduction of safety standards by lowering procedures may lead to a serious accident. We have chosen to make these management initiated changes public to prevent Virgin creating

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

a scapegoat out of one of our members if these changes lead to an aircraft accident. The blame will rest fairly and squarely on management's shoulders.

You have indicated that we would not commit to a proposal to keep commercially sensitive information confidential. This is not the case, we have absolutely agreed to 11 of the 12 protocols. I am however concerned that your recollection of what was said at Monday's meeting has been twisted. In future the ALAEA will be recording meetings to prevent changes being made by you post meeting.

We take offence to any suggestion that comments made last week are untrue. A wheel did disintegrate on landing. A definition of disintegrate is provided –

- 1: to break or separate into constituent elements or parts
- 2: to lose unity or integrity by or as if by breaking into parts

The wheel arrived at the gate in at least two separate parts and had lost its unity and integrity.

No comment was made about wheels routinely falling off aircraft. The maintenance changes are now delivering weekly checks at 15 day intervals, this is less maintenance and in our view poses a serious imminent risk to our members safety and that of the travelling public. In our view Virgin has the best Engineers in the world, to constantly erode the use of their skills, experience and qualifications is skimping on maintenance and inviting disaster.

Our PowerPoint presentation contained information under a title "*What Virgin wants*". We know what you want from the revised terms and conditions rolled out directly with the workforce without ALAEA consultation despite being in negotiations for a new collective Agreement. To say that our statements were fabricated must assume that you have erased from memory your own actions.

Our members will work to rule as they always should. Being so understaffed our members come under increased commercial pressure to do things differently. To remind our members that strict adherence to Virgin procedures is not only responsible but also necessary for compliance with the Civil Aviation Act 1988 and the Virgin System of Maintenance as normal. If Virgin does not want our members to work to these procedures please advise us in writing and that message will be relayed to our membership and most likely the public.

The ALAEA are committed to these negotiations and the principal of genuinely reaching Agreement and bargaining in good faith as mandated by the Fair Work legislation. As such we demand that Virgin also meet its obligations. Last Monday's meeting was set by the parties specifically for Virgin to respond to our claims. Virgin chose not to do that and instead sought concessions in bargaining from the ALAEA in the form of an embargo on the use of press by the ALAEA. We cannot agree to those concessions, doing so would effectively place a "gag" order on our organisation and prevent us from using legitimate means to discuss matters both related and unrelated to negotiations publically. There is no requirement in the Act for us to agree to concessions during the course of negotiations, see Fair Work Act 2009 section 228 –

*(2) The good faith bargaining requirements do not require:*

- (a) a bargaining representative to make concessions during bargaining for the agreement;*

There is a requirement for Virgin to respond to our claims in a timely manner as follows:

*(1) The following are the good faith bargaining requirements that a bargaining representative for a proposed enterprise agreement must meet:*

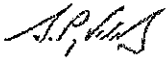
- (a) attending, and participating in, meetings at reasonable times;*
- (b) disclosing relevant information (other than confidential or commercially sensitive information) in a timely manner;*
- (c) responding to proposals made by other bargaining representatives for the agreement in a timely manner;*

As the allocated meeting for our response has now passed, we expect a response to our claims this Monday 2<sup>nd</sup> November 2009. If Virgin fails to present a response to our claims, we will take appropriate action by the end of next week that may include the enforcement of good faith bargaining provisions, or an application for Protected Industrial Action and associated communications that normally accompany those actions.

As previously stated, we agree to 11 of your 12 protocols. We suggest that item 4 that we term the "media gag" be replaced with the following words –

*"Both parties will refrain from capricious or unfair conduct that undermines negotiations."*

I trust that this clarifies our position.



Stephen Purvinas  
Federal Secretary