

e-Torque

Welcome to the July 2011 edition of *e-Torque* – the newsletter for ALAEA members across the country.



President's Opinion

This month we are turning up the torque on our negotiations with Qantas. The airline's management has repeatedly failed to act in the best interests of safety and has basically said it doesn't know how to turn a profit while supporting Australian jobs.

ALAEA members know how important it is to Qantas' safety record that they have the ability to perform heavy maintenance work in Australia, after all this is where we have some of the most highly trained LAMEs in the world. Yet when it comes to safety at Qantas, management is all over the place. Their rhetoric on safety during the ash cloud crisis is completely at odds with their inability to recognise the long-term implications of continual outsourcing of maintenance. Even full-page ads in most newspapers recently espoused safety and onshore maintenance, yet not one showed an engineer doing their job, which speaks volumes. CEO Alan Joyce seems to be more interested in demonising our Association and scaring customers than actually considering how his industrial relations policy will affect the brand he's hired to protect.

And I know that's why members have overwhelmingly voted in favour of taking further protected industrial action – to highlight these discrepancies and show that we won't accept their razor gang approach to this airline's hard working employees. In fact, 81 per cent of members voted in favour of taking action. This should send a clear message to Qantas that employees may be loyal to the airline, but not to the current management team.

As a result of this ballot, members at Qantas will be participating in work stoppages on 4 July. This might sound extreme to some, but I want to make it clear that the Association has done everything it can to negotiate an agreement without resorting to PIA. Unfortunately Qantas management has not. To minimise any impact on passengers, whilst still sending Qantas management a clear message, we are prepared to make members available for any overtime to cover those workers participating in work stoppages. This way the work will still be done and safety won't be compromised, and the only ones who will feel the impact are the fat cats sitting around the Qantas boardroom.

At the end of the day, all we want from Qantas management is for them to come back to the table and seriously talk to us about the very significant issues of job security, wage restructuring and the future of safety at Qantas. Let's hope they stop attacking union leaders who have been working tirelessly to resolve this issue, and start listening to their longstanding employees who have been with the airline through thick and thin. Job security for those who have helped build this airline's reputation as safest in the world should be a priority for management, not a



casualty.

In a related matter, the resultant job reduction of LAMEs at Sunstate is a deliberate and disgraceful act designed to punish hard working engineers who have done nothing more than stand up for themselves and their fellow LAME's rights in the workplace. QantasLink management and Qantas management as a whole should be utterly ashamed of this craven and cowardly behaviour, but rest assured the ALAEA will pursue these workers' rights and the fight is not over yet.

Keep Safe,
Paul Cousins, Federal President

CASA – Licencing

As you should all be aware by now Civil Aviation Regulation (CAR) 31 is no longer in operation and Civil Aviation Safety Regulation (CASR) Part 66 is now the regulation that regulates Aircraft Maintenance Engineer licencing in Australia.

There are still a number of outstanding issues regarding the new system that will need to be sorted out in the coming months and these include missing type ratings, coverage of aircraft that fall under the limited category classification, confusion over requalification requirements and ambiguity over certification privileges on small non-type rated aircraft.

What we were pleased to see was some movement from CASA on the certification requirements for aircraft previously rated as Group 7 composite structure aircraft. CASA had made a decision that it was no longer a requirement for a group 7 endorsed or trained LAME to carry out structural inspections or certification of repairs of these aircraft. After some discussion it appears that CASA heeded our advice that the inspection and certification of these aircraft requires special training and knowledge in composite structures and last week amended the Civil Aviation Order (CAO) 100.5 to basically reinstate the status of these aircraft and the group 7 LAME training.

The change however was not as encompassing as we would have preferred, as it is not included on the licence. The amendment to CAO 100.5 is as written below:

7A.3 Composite maintenance on the aircraft specified in Table 1 must be carried out by:

- (a) the holder of an Airframe Group 7 rating, as described in Civil Aviation Order 100.91, that was current immediately before 27 June 2011; or
- (b) by the holder of one of the following qualifications:
 - (i) AQTF qualification MEA405B;



- (ii) a Transport Canada AME licence endorsed with an “S” rating;
- (iii) a New Zealand B1 category AME licence endorsed with a Group 4 rating;
- (iv) any other aircraft composite structures qualification approved in writing by CASA as a suitable qualification for composite maintenance.

This basically preserves the current situation within a legislative instrument but does not recognise it on the licence. The ALAEA will be pushing for the recognition of Group 7 training and endorsement to be returned to the licence.

Also after a few attempts it appears that CASA have also preserved the status of the CAR 31 arrangements for a Group 1 or 2 Eng LAME or Group 1, 2 or 19 A/F LAME to certify for five category periodic inspections on VFR aircraft by making amendments to the Part 66 MOS. Some of the interim amendments declared that an aircraft that was equipped to IFR standards could not be maintained and flown to VFR. This would have caused massive disruption across many small GA operators. However there are still some outstanding questions on this topic as well.

The privileges will only be preserved as transitional privileges, meaning that they will only apply to the holder of an appropriate CAR 31 licence as of 26 June 2011. We find this illogical for a number of reasons. Firstly, in the transitional period over the next four years new LAMEs or existing Group 20 LAMEs will be able to gain new or extra licence endorsements in the same manner as the CAR 31 system allowed, using Basics and SOE assessed by a CASA Airworthiness Inspector. These people will not be able to carry out the same maintenance and certification as another LAME with an identical licence. Also CASA has moved licencing to a competency based system and if you applied competency based principles you would have two groups of people both deemed to be as competent as each other, yet one group can certify for particular maintenance and the other group cannot.

We hope at this stage of the process in moving to CASR Part 66 that all LAMEs have familiarised themselves with the relevant legislation and the format of their licence.

Remember if in doubt refer to the scope and privileges of your old CAR 31 licence and contact CASA to clarify any issues you may have.

Their preferred method of contact is by email to ame.licensing@casa.gov.au.

However if you do not have email access their phone number is:
1300 737 032 (CASA Licensing and Registration Centre – CLARC)
International phone: +61 2 6217 1449

If you have identified a discrepancy with your new licence, CASA has created a new form for you to report the discrepancies to them. Follow this link to access information and the form:
http://www.casa.gov.au/scripts/nc.dll?WCMS:STANDARD::pc=PC_100491

The following is the latest news from the CASA website for LAMES:

22 June 2011

Use of CASA PORTAL for Part 66 licence information

The information on the CASA PORTAL for Part 66 AME licences is not complete. Additional privileges, exclusions and limitations attached to licences and ratings are not displayed on the licence details page. In some cases, the descriptions of type ratings have not been updated to match those on the Part 66 licence. LAMEs and operators should not use the licence information to check what licences and ratings a LAME has under Part 66.

Follow this link for earlier news and notice updates:

http://www.casa.gov.au/scripts/nc.dll?WCMS:STANDARD::pc=PC_100438

And finally, the latest CASA Industry Briefing has been released on the CASA website. It contains news items for all sectors of the aviation industry:

http://www.casa.gov.au/scripts/nc.dll?WCMS:STANDARD::pc=PC_100489

Sunstate Restructure

The ALAEA and members at Sunstate in Brisbane received notification from QantasLink management on 21 June that a significant restructure to engineering operation at Sunstate would be implemented in July. The changes are significant in impact with the new structure involving a reduction in LAME positions from 22 to 10.

This decision is very disappointing and continues the process that seems to be usual these days with the Qantas group, whereby they make unilateral announcements without adhering to consultation obligations required under enterprise agreements. The memo released by the Company on 21 June even indicated that consultation had taken place with the ALAEA, which was simply not true.

The ALAEA subsequently met with QantasLink senior management on 24 June, raised a number of issues and sought further information with an overall view of requesting the Company to consider all the options so as to avoid any possibility of compulsory retrenchment.

At this stage the ALAEA is considering all legal options available to the union and is continuing to represent and assist members at Sunstate affected by this decision.

The struggle for a fair and reasonable outcome on a new EA at Sunstate triggered a long running dispute with the company and the latest announcement is a further kick in the teeth from QantasLink to members at Sunstate.

Rex Enterprise Agreement Negotiations

Discussions have been ongoing over recent months for a new enterprise agreement for engineering staff at Rex. The most recent discussion occurred on 20 June and the ALAEA and employee reps firmed up a revised position on several key items in the bargaining claim.

In particular, Rex management were informed the time had well and truly come to make a significant adjustment to base pay, and the claim is for a CPI + 2 per cent adjustment to occur annually in the new EA. Past EAs had seen a combined remuneration approach that had base pay, profit share and share gift components but the strong feedback this time around is for the straight out adjustment to base pay.

Another key item in the claim is the request to increase annual leave accruals for shift workers above the current 190 hours per annum figure to one more in line with movements in a number of other companies in the regional aviation market with the claim seeking an increase to 240 hours.

The next bargaining meeting will take place on 7 July.

CHC Helicopters

The ALAEA has been following up on member feedback raising concerns about the recent CHC management decision to seek to remove the volunteer status for Dili operation in East Timor. There are a number of concerns that go to various issues including significant health risks, various security issues and insurance coverage.

A consultation meeting took place at the Company HQ in Perth on 23 June, which involved the various employee groups and involved unions at CHC. Federal Executive Councillor Vinko Vulin represented the ALAEA at the meeting.

The unions have informed CHC that the strong view of members at CHC is that volunteer status for Dili should remain. CHC have indicated they would defer the 1 July implementation to allow further time for consultation with the CHC workforce.

The unions also sought further information regarding the Security Risk Assessment that was recently carried out and further information on a number of other related items.

The Company has asked for a detailed list of specific concerns (that go to date, place, situation details etc.) as to why employees do not wish that Dili be made a non-volunteer base. Any further comments and feedback to the ALAEA on this from CHC members would be very useful.

A further meeting with the Company is planned for 15 July.



IASA Wind Up

IASA has now ceased trading, but unfortunately for a number of members the sorry saga continues.

Australian citizens or permanent residents should have received GEERS forms to be used when claiming entitlements. The liquidator has informed the Association that many employees are still to lodge these forms. The sooner they are lodged the sooner they will be processed. GEERS forms lodged by 7 July are likely to be processed/paid out by late July or early August whilst those submitted after this date will likely have to wait another couple of months.

It is our understanding that 2010/2011 payment summaries for tax purposes are being prepared and should soon be sent to employees.

Unfortunately in relation to staff in Australia on working visas and, for all employees, in relation to superannuation (which isn't funded by the GEERS scheme) a proof of debt form will be necessary. In turn how much of these entitlements are paid will depend on what resources can be recouped from the winding up of the company. Indications are, unfortunately, that this process is likely to take months.

The Association has been in discussions with the ATO in relation to various issues to do with the superannuation owing to former IASA staff, and a report is due to be made to the Association later this week.

Whilst the Association did secure further time for those in Australia on working visas before any decisions were made on their visa status some have, or will, leave Australia. Anyone faced with an immigration deadline or visa issues should contact us urgently.

If there are questions about any of these issues please call Lincoln at the Association head office on (02) 9554 9399.

Negotiations Commence at BAE Systems – Tamworth

Negotiations for a new collective agreement have begun at BAE Systems in Tamworth. A claim will soon be put on the Company which will focus on base rates, allowances and loadings which, for LAMES and AME's, are relatively low by industry standards.

The current agreement, which covers a range of staff at the Tamworth site, will also need to be updated in accordance with the Fair Work Act and the claim will need to be developed when more details of the Company's offer and draft agreement are released.



CASA CMT Trial

Members who work at the Civil Aviation Safety Authority will be aware that CASA recently announced that the trial of Certificate Management Teams in Melbourne was a success and the CMT structure is to be rolled out nation-wide.

Of concern to members is the apparent lack of genuine consultation over the implementation of the new structure and particularly the reliance of CASA management on an independent report which apparently verifies the success of the trial but which has not been released to staff or unions. A further consultation briefing with the unions concerned is scheduled within the next week and more information may be forthcoming then.

JHAS – Tullamarine

Unofficial Enterprise Agreement negotiations have reached a critical stage at JHAS. On 25 November 2010, in conjunction with other unions, the ALAEA on behalf of members served a log of claims on the Company, and to date we have met with them about six times.

The Company verbally indicated that because the 4 per cent wage increase was paid in January, their desire is to deal only with the annual target hours system and leave the WorkChoices EBA, which expired in March 2010, in place. This is strenuously opposed by the ALAEA and other unions on site as indicated to members at meal break mass meetings in June.

The ALAEA is seeking to negotiate a completely new Fair Work Act 2009 EA on behalf of the membership at JHAS, although it appears JHAS is continuing to stall and delay EA negotiations until the Court of Appeals in Victoria hears the Holland's appeal on 11 October 2011.

As you may know, the unions won a court case last year in the Supreme Court of Victoria where via a deed the Company sought to vary the WorkChoices EBA. The unions' lawyers and barristers argued that under the Fair Work Act 2009 it is not permissible to vary a WorkChoices EBA and the Supreme Court of Victoria agreed. Yet Instead of negotiating a new Fair Work EA, the Company has sought to stall negotiations with its appeal. Despite the delay tactics, the Association's membership at JHAS has doubled in size over the last three years.

Helicorp – Essendon, Victoria

Site meetings were conducted by the ALAEA in June to consult members regarding a first EA on site. The Association is in the process of developing a log of claims with members to be served on the Company.

Forstaff Aviation

A series of meal break mass meetings were conducted throughout June to update members of the current Qantas LAME dispute. The meetings were well received by all employees, and the ALAEA reported that the main struggle for Qantas LAMEs goes to job security and the capacity for Qantas to perform the work in Australia as opposed to offshoring. Further, members understood the possibility of wages, terms and conditions from the Qantas LAME EA eventually flowing onto members at Forstaff.

Hawker Pacific Sale, Victoria

The ALAEA is in the initial stage of starting the negotiation process for a new EA. The current EA expires in September this year.

Toll Aviation EA

The Toll Aviation agreement has been voted on and accepted by employees at Toll Aviation Brisbane. Application was made on 27 June 2001 to FWA for approval.

Qantas TSS Airworthiness Restructuring

Qantas has begun a round of consultation in regard to a proposed restructuring of the Airworthiness departments, which are effectively the departments under Adrian Verkerke's responsibility.

The ALAEA met with Qantas on 24 June where we were informed that they intended to reduce the Airworthiness departments by 30 per cent. The total number of employees in the departments is approximately 494 and the proposed retrenchments may be in the vicinity of 80 to 120. Ironically these are the areas of control that CASA targeted in its report in September 2008 saying, "An audit by CASA has found the airline's maintenance procedures are not up to its own standards". The reduction is proposed in an environment where Qantas needs to transform all its compliance processes into the new CASR Part 145 (EASA) regulatory structure, and such disruption at such a crucial time for airworthiness compliance appears to be misguided to say the least.

Apparently they have arrived at the 30 per cent reduction figure carrying out a benchmarking exercise against American Airlines and BA over the last six months. Also ironic is that Qantas management have benchmarked against airlines that are not or have not been as profitable as Qantas, and American Airlines do not outsource their heavy maintenance. Qantas have continued to return profits where other airlines could not, due in part to the efforts of their



existing staff, which Qantas now say they can do without. Whatever excuses QF management use to justify their actions it appears 30 per cent may be the new cost cutting target set by Joyce in lieu of Dixon's infamous 20 per cent cost reduction campaign, which effectively disengaged employees and put the Qantas brand at risk.

Ensure your personal details are up to date

If you have moved recently, changed mobile or home phone numbers or email addresses, are working for a new employer or changed any other details, we'd love to hear from you.

To update your records simply email your details (do not email us any credit card numbers or bank details) to membership@alaea.asn.au to advise us of changes.

To change your credit card number or bank details, please advise the ALAEA via one of these methods:

Fax: (02) 9554 9644

Phone: (02) 9554 9399

Post to: 25 Stoney Creek Road, Bexley, NSW 2207

If you have a number of changes to make, you can also download a Membership Update Form from the **CONTACT US** page on our website at www.alaea.asn.au which you can print, complete and return by post or fax.

Union Shopper

This winter, eligible members who make a purchase enquiry or buy a car or electrical product will go in the draw to win \$1000.

Union Shopper is free and easy to use, so why not see how much we can save you on your next purchase? In 2010, Union Shopper saved members over \$1.3 million on cars and over \$1.4 million on electrical items.



To save time and money and go in the running to win \$1000, phone Union Shopper today on 1300 368 117 or visit www.unionshopper.com.au/win1000

Workplace Noticeboards

ALAEA reps are reminded to check that their workplace noticeboards are up-to-date. Latest notices are available at www.alaea.asn.au