



Voting commences for Thai Airways new Enterprise Agreement

Following two telephone conferences since bargaining commenced between Thai Airways International Public Company Limited and the bargaining committee, THAI have notified staff about voting on a proposed Enterprise Agreement.

A document summarising changes to a number of conditions including pay increases and performance pay was also distributed to staff.

In both meetings the bargaining committee put forward their concerns and whilst THAI Airways have responded to those concerns, the committee – including the ASU – are not satisfied with the proposed Agreement.

Linking wage increases to average inflation rates is without a doubt too risky for staff to be able to predict their wages from one year to the next! The ASU is concerned that the pay increases offered by THAI are based on a volatile CPI rate and are not a fair, reasonable nor adequate commitment to staff who need assurances from their EBA that wage increases will be predictable.

CPI rates fail to compete with minimum wage increases for the Industry. The minimum rates increases for the Airlines Industry 2014, 2015 and 2016 have been 3%, 2.5% and 2.4% respectively. These rates have remained as much as 1% above the national CPI average and applied for all purposes – including Superannuation contributions.

National CPI has fluctuated between 1 and 2.4% for the last 4 years and is forecast to remain volatile. CPI as an average for Australian capital cities has been as high as 1.7% for Sydney and as low as 0% for Darwin in the last quarter. With staff placed around Australia, is it fair and reasonable that the national average predict your rates of pay when your cost of living is increasing more rapidly than say Darwin?

The fixed rates THAI have offered for January 2016, 2017 and 2018 will not be enough to ensure that employee wages keep up with the actual cost of living. The proposed Agreement would expire September 2019 without any commitment to a January 2019 pay increase.

Is the back pay offer enough of an incentive to accept a poor outcome?

Head office has made the current offer and said they would withdraw the 2% pay increase backdated to 1 January 2016, if staff do not accept the current proposals. The

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ASU estimates that the value of the back dated pay increase would amount to about \$1,000 for an entry Level 4 employee or about \$1,500 for a Level 6 employee at the top of their classification.

Consultation with staff around the country highlights valid concerns about the progress of bargaining that remain unresolved. Staff have grave fears about the following proposals:

- CPI increases do not compare to bargaining trends across the Airlines Industry nor to increases in minimum industry rates that have been closer to 3% per annum.
- Implementation of KPIs could mean the low CPI increase would be halved when staff do not achieve their KPIs.
- KPIs would be set without consultation with staff or any transparency as to how they are applied to individual staff members. You could be working next to someone with higher or lower expectations decided by the company and you won't know!

Many other concerns have been raised and the ASU believes that staff have not been given adequate advice about how to ask questions of the Company before they vote. This only increases uncertainty about the proposed Agreement.

Many staff will not get the opportunity to vote!

It is hard not to be suspicious about the timing of the Voting Process for this EBA coming so close to Christmas when staff are taking leave. We have to ask is everyone getting a fair go to ask questions, give input or vote?

On Wednesday, 14th December 2016 voting on the proposed agreement will commence. THAI will provide each employee with a ballot paper, and a return envelope. Your vote must be received by 1.00pm on Tuesday 20 December 2016, after which the votes will be counted. If a majority of employees who participate vote 'yes' to the Agreement, the Agreement will be submitted to the Fair Work Commission for approval.

The only alternative is to vote '**NO**' if the majority of staff vote '**NO**' then staff will have a new opportunity to seek answers from the Company at the negotiation table. It is only if the employees work together that you will be able to convince head office to deliver pay increases that ensure your wages keep up with the cost of living.

Need more information?

The ASU has local industrial staff available to help and answer questions. For more information, please get in touch with the relevant contact below.

If you're not a member of the ASU, you can join online now at our secure form:

<https://www.asu.asn.au/asujoin>

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