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25 May 2017

ASU-Emirates BULLETIN

Emirates lowball loyal staff with below average pay offer

Emirates, your union and bargaining representatives met last Tuesday for bargaining. Emirates have revised some of their pay offer but have rejected our proposal that would have ensured that staff received a minimum CPI increase to their salaries.

This week Emirates responded to your union and bargaining representatives with another unacceptable pay offer. Emirates had come back with an improvement to the merit-pot for performance pay but combined with the fixed increase and loss of other conditions, staff pay would not keep up with increased costs to living. Unions and bargaining representatives jointly advised Emirates that staff could reconsider some proposals if a fair and reasonable pay offer for the fixed increase was on the table.

Emirates also informed us that they want to go to staff very soon to vote on a proposed Enterprise Agreement.

Why rush?

Overall, what we still need to ask ourselves is what incentives are there for staff to accept an Agreement that offers no pay increases before 2018 and requires that staff lose their current entitlements to other pay and conditions?

Emirates' key proposals would have a negative impact on staff:

- Withdrawal of the merit based payment that was due 1 April 2017.
- Pay freeze for 2017.
- Fixed pay increases below CPI, from 2018: 1% effective January 2018 and 1.5% effective January 2019.
- Reduction of the of the merit-pot payments compared to your current Agreement.
- Removal of the fifth week of annual leave for any shift worker who is not working on a continuous, 24 hour roster.
- Selling out future employees' long service leave and annual leave loading.
- No pay increases for people at the end of the band, just lump sum payments – which won't improve your annual leave loadings.

What's wrong with CPI?

Your union and bargaining representatives have consistently informed Emirates that staff would not be satisfied with a pay offer that doesn't keep up with the year on year increases to your costs of living.

We ask Emirates to reconsider the fixed increase offer and at least ensure that it will be equivalent to CPI, for each year of the Agreement. Linking wage increases to average inflation rates is without a doubt a risk for staff. CPI rates would also fail to compete with minimum wage increases for the Industry.

Authorised by Linda White, Assistant National Secretary, Australian Services Union,
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The minimum rates increases for the Airlines Industry 2014, 2015 and 2016 have been 3%, 2.5% and 2.4% respectively.

Those rates are as much as 1% above national CPI averages and have applied for all purposes – including Superannuation contributions.

We weighed up those concerns that pay increases based on volatile CPI rates would not assist staff to predict their wages from one year to the next. The CPI rate has begun to increase in recent months and the combined effect that a proposed 1%-2% payment (for good performance) from the merit-pot could have would lighten the risk. Staff could decide for themselves whether to accept that risk when it comes time to vote.

Without a fair and reasonable pay offer on the table, there is no incentive to accept a poor outcome from bargaining.

Stay informed and be ready

We will continue to keep you informed of upcoming discussions that are predicted to take place the week of 5th June. In the event that Emirates put a proposed Agreement out to vote, be ready:

- Make sure that your current contact details are up to date with the ASU. Contact your ASU Organiser.
- If you are not an ASU member – now is the time to join - you can do this on line at:

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

If you want more information contact your local ASU delegate or Organiser:

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