



A•S•U

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4 October 2013

Mr Graham Turner
Managing Director
Flight Centre Limited
Level 2, 545 Queens Street
BRISBANE QLD 4000
Phone: 07 3170 7979

By E-MAIL: graham.turner@flightcentre.com.au

Dear Sir

RE: OFFER OF NEW EMPLOYMENT CONTRACTS

**Australian
Services
Union**

National Office
Melbourne & Sydney

All correspondence to:

Ground Floor
116 Queensberry St
Carlton South VIC 3053

T: (03) 9342 1400
F: (03) 9342 1499
E: info@asu.asn.au
W: www.asu.asn.au

National Secretary
David Smith

Assistant National Secretaries
Greg McLean
Linda White

The ASU writes regarding the offering of new employment contracts to existing employees. The ASU believes these contracts are unfair, do not adequately remunerate employees and do not properly recognise the efforts of employees in making Flight Centre Limited the successful and profitable company it is today.

The ASU believes that the new contracts will likely reduce an employee's rate of by setting the level of the 'base retainer' rate of pay at barely above the legislated minimum rate of pay. As an example the proposed Contract for a Tickerer is:

Position:	Tickerer		
		Base Retainer	\$32,500 pa
		Incentives	\$20,000 pa

The current minimum wage is \$32,354.40 pa. It has been independently established that the Clerks Private Sector Award applies in the travel industry. The rates in the Clerks Private Sector Award are considerably above the minimum wage so this has the effect of meaning that the base retainer of \$32,500.00 pa is well below the legally required award rate. The ASU notes that there is an Incentives payment proposed in the contracts we have seen, however these Contracts do not mandate that the Incentives payments must be made. Further the contracts seem to anticipate potential breaches of the Award by attempting to use the "*advance commission payment*" to offset current underpayments against future earnings.

The ASU notes that ASU members and other employees are not legally required to sign the new contracts and that they can continue working under their current contracts protected by workplace laws including General Protections, unfair dismissal and anti-discrimination laws. As you know an employee cannot be adversely affected by exercising their right not to sign a contract or by involving the ASU in any discussions about their contract with Flight Centre.

ASU members across Australia have requested that the ASU seek a meeting with you or other company representatives about the new employment contracts.

We look forward to further contact about these issues as soon as possible, please contact Justin Cooney on 03 – 9342 1400 or info@asu.asn.au.

The Union looks forward to your prompt response.

Yours faithfully,

Linda White
Acting National Secretary



A•S•U

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Mr Graham Turner
Managing Director
Flight Centre Limited

30 October 2013

By E-MAIL: graham_turner@flightcentre.com.au

Dear Sir

RE: OFFER OF NEW EMPLOYMENT CONTRACTS

The ASU refers to correspondence (dated 4 October 2013, copy attached) from the ASU to yourself in your capacity as Managing Director of Flight Centre Limited.

The ASU wrote to you on behalf of our members employed at Flight Centre who have been requested to enter into new employment contracts that will see their base rate of pay substantially reduced. The proposed reduction in the base rate of pay, barely above the legal Award rate of pay, is causing significant anxiety to our members.

Ticketeer	Proposed Contract	Clerks Private Sector Award
Base Retainer	\$32,500 pa	\$32,354.40 pa

Such a low base retainer will disadvantage employees, not least in trying to qualify for home loans etc. due to the uncertainty of an incentive payment rather than a guaranteed wage. Introducing these contracts without negotiation or discussion with employees seems to indicate that Flight Centre has deliberately turned a blind eye to the detrimental effects the contracts will have on employees. This is hardly an example of a good corporate citizen.

The unilateral imposition of new employment contracts is not the action of an employer that considers itself as one of the best employers in the country. The proposed reduction in the base rate of pay to the minimum legally allowed is completely at odds with an employer who states that it regards its employees as its business' greatest asset.

If Flight Centre truly believes that their employees are their greatest asset then it is difficult to understand why the company while not consulting staff is seeking to cut employees base rate of pay. Flight Centre employees have worked hard to make Flight Centre a successful and profitable company and it is only fair that employees are recognised and rewarded for their efforts.

The ASU requests an urgent meeting with Flight Centre representatives. Can you please contact Justin Cooney on 03 – 9342 1446, or jcooney@asu.asn.au. The Union looks forward to your prompt response.

Yours faithfully,

Linda White
Acting National Secretary

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