



Vote NO to guarantee pay rises for all employees

The proposed Emirates Enterprise Agreement will render the merit increment a payment at the absolute discretion of Emirates.

Clauses 15.8, 15.9 and 15.10 of your current 2011 EBA says:

Therefore, depending upon individual performance, individual staff **shall** receive a merit increment between 0.0% and 6.0% on top of the fixed increase in basic salary granted as per clause 15.2.

Clause 15.7 of the proposed Agreement says:

Therefore, depending upon individual performance, individual staff **may** receive a merit increment between 0.0% and 6.0% on top of the fixed increase in basic salary granted as per clause 15.2.

The proposed Agreement replaces **shall** with **may**. Therefore Emirates are not obligated to make payments from the merit pot.

Why it matters

Emirates' amendment to the clause means that it has given itself a discretion as to when, and if, it makes any payments from the merit pot. This change to a single word is incredibly significant. According to the Office of Parliamentary Counsel Website "Traditionally the verb auxiliaries "shall" and "may", with their respective negatives, have been used to indicate obligation and discretion respectively". (Source: The Language of the Law: How do we need to use language in drafting legislation? www.opc.gov.au/calculators/docs/Loophole_papers/Rose_Aug2011.pdf).

Changes to Superannuation Law mean the proposed Agreement is even worse.

The superannuation law changed on Tuesday. The table shows the changes. From 1 January 2016, the legislated superannuation rate is 0.5% less today than it was on Monday. This means that legally Emirates can now remunerate you 0.5% less in 2016 than it had to on Monday. Yet the pay rise for 2016 remains at 2.50%, while the Reserve Bank of Australia expects Inflation to be between 2-3%. Inflation above 2.5% in 2016 would mean your guaranteed wage increases would be in reality a real wage cut. And now any compensating guaranteed rise in superannuation is gone. (<http://www.rba.gov.au/publications/smp/2014/feb/html/tables.html#table-5.2>).

Year	Old Rate	New Rate	Emirates proposed Rates
2013/14	9.25%	9.25%	2.75% from 1 January 2014
2014/15	9.50%	9.5%	2.75% from 1 January 2015
2015/16	10.0%	9.5%	2.50% from 1 January 2016
2016/17	10.5%	9.5%	

This Agreement is unfair. Vote NO

Further information?

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