Bulletin # 6 16 April 2019

The truth about where the EBA process is at

It appears that some team leaders and area managers are claiming that your Agreement is already operating.

Technically the Agreement is not in operation and <u>must</u> be approved by the Fair Work Commission (FWC) before it can operate.

Clause 2 of the proposed Agreement states "the Agreement commences operation 7 days after approval by the FWC and has a nominal expiry date of 12 October 2022. To the extent lawfully available it will be administratively applied from the date of a successful vote until the date it commences operation or an application to the FWC for approval is dismissed"

What is not clear is which clauses Flight Centre is applying and which they are not – the Company has failed to communicate what they are doing.

The Agreement approval process

Flight Centre is required to make an application to the Fair Work Commission (FWC) for approval of the Agreement which Flight Centre did on 26 October 2018. The Company must show that their Agreement is better than minimum conditions for your employment when compared to the General Retail Award.

After reviewing Flight Centre's application, the FWC sought a response from the Company on an extensive list of issues. The issues raised by the FWC on 5 March 2019 can be summarised into the following list of concerns which Flight Centre have been asked to address:

• Flight Centre may be underpaying staff

completing a traineeship or employed for less than two years;

- Flight Centre may not have explained the Agreement clearly to staff before voting commenced;
- Individual Flexibility Arrangements may not meet the minimum requirements;
- Staff aren't able to refuse unreasonable overtime;
- "The Giving Bank" may operate in a way that is illegal;
- The Agreement may not be clear about when rates of pay commence, as well as increase, during the life of the Agreement;
- The actual base minimum rate of pay for each non-penalty hour of work for each classification covered by the Agreement are missing from the Agreement, including the rate for any casual employee who should earn 125% of the applicable hourly rate;
- Minimum Hours of work for each shift are missing from the Agreement;
- Shift Penalties for work after 6pm Monday to Friday would only apply after 9pm;
- Applicable penalties for shifts that extend beyond 9pm will not be paid by the Company;
- The Time Off In Lieu terms may be contradictory so that employees can't work out how they accrue the time;
- Flight Centre may not be meeting its

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duty to ensure that staff take all necessary rostered breaks;

- Concerns that it is "unfair and unreasonable" that commission payments achieved by employees go into a pool to "top up minimum Award entitlements" because the Agreement provides that commissions earned will be used for the payment of penalties;
- The flexibility arrangement offered to a 'Home/Remote User' employee may not be providing minimum entitlements in the Agreement;
- Overtime entitlements are unclear because the maximum span of hours for non-penalty shifts as well as maximum shift lengths are missing from the Agreement;
- The Company may be illegally averaging hours over 4 week periods.

ASU reps raised many of the above issues with the Company during bargaining. These issues were not resolved before the Agreement was voted on. The Company pressed on with its version despite our questions about the legality of the Agreement.

It is important to note that although staff voted to approve the Agreement that does not mean that the FWC has to approve the Agreement.

Terms that may prove fatal to the approval process

The Company have responded to the concerns raised by the FWC and the ASU has

also replied to their response. The FWC has also given Flight Centre a final opportunity to reply before deciding whether the Company will be able to continue to argue that the Agreement is better for employees than the General Retail Award. This is because it may not be lawful for the Company to fix some of the concerns identified by the FWC.

The ASU believes that it is possible "The Giving Bank" terms may prevent the FWC from approving the Agreement. This is because employees should not be left with less than their statutory minimum entitlements to Personal/carer's leave. Flight Centre do not provide for staff to accrue leave in excess of the minimum standards of 10 days each year for full-time employees and pro rata of 10 days each year depending on their hours of work for part-time employees.

We will update you again on the direction the FWC decides to take once they have considered all written responses.

It may well be that FWC decides to list the consideration of the Agreement at a full hearing.

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Join with your colleagues to demand respect at work by joining the ASU here: www.asu.asn.au/asujoin

If you are already an ASU member, you can join the members-only Facebook group to access immediate updates and network with other members around the country: https://www.facebook.com/groups/ASUFCTG/

The ASU has a network of representatives across Australia. You can contact your local reps:

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