Draft Without Prejudice

If employees vote to accept ASU EBA 9, a signed letter will be provided

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

XX Date

Purchased Annual Leave

We refer to our discussions in ASU EBA 9 in relation to purchased annual leave, as described in Clause 47.8 (Purchased Annual Leave in ASU EBA 9).

For employees covered by ASU EBA 9, the Company and employee may agree in writing on a salary sacrifice arrangement to "purchase" two additional weeks of annual leave per annum (50/52).

The following principles will apply when applying for, and taking the leave:

- The salary sacrifice period is for one financial year, and employees must formally apply for leave in advance;
- The employees must have the required annual and long service leave balances prior to commencing the purchased annual leave period;
- The employee must discuss his/her intent to apply for purchased leave prior to submitting the application;
- The employee must submit his/her application for each year;
- The taking of the leave must be approved by the employee's Manager, based on operational requirements, including the ability to allow other employees in the relevant department to take their accrued leave.

As advised, employees eligible to participate in the scheme will be daywork employees working in non-shift areas. However, a purchased leave scheme will be trialled in Qantas Engineering for shiftwork employees.

Qantas and the ASU will consult at the completion of this trial whether the purchased leave scheme can be extended to other shift areas.

Yours sincerely

DRAFT - WITHOUT PREJUDICE If employees vote to accept ASU EBA 9, a signed letter will be provided

Linda White etc

Dear Ms White,

Re: Superannuation Issues

Further to discussions between Qantas and the ASU, I can confirm the following arrangements will apply in relation to superannuation for Qantas Group employees who are employed under the Australian Services Union (Qantas Airways Limited) Agreement 9 (EBA 9), if employees vote to accept this Agreement.

Company Contribution Rates

Employees covered by EBA 9 who are in an accumulation fund (eg: Divisions 3a and 6 of the Qantas Superannuation Plan and any external funds) and who receive an employer contribution rate of 10% will continue to receive an employer contribution rate of 10% of ordinary time earnings, as ordinary time earnings are defined in Superannuation Guarantee (Administration) Act 1992.

Salary Sacrifice of Compulsory Employee Superannuation Contributions

Employees employed under EBA 9 who are members of Division 1, 2, 3 or 4 of the Qantas Superannuation Plan will continue to have the option of sacrificing the compulsory employee contribution from pre-tax salary. Further information on this option will be provided to employees on request.

Yours sincerely,

XXXXX

XXX Date

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

BY FAX # (03) 9342 1499

Dear Linda,

Re : Annual Delegates Conference

I am writing to confirm that during the life of EBA9, Qantas will provide the following support for an annual two-day conference of up to 65 ASU delegates who are covered by ASU EBA9:

- (a) Qantas will pay reasonable accommodation and venue costs;
- (b) Delegates nominated to attend will be granted paid leave in accordance with Clause 14.2.11 Trade Union Training in EBA 9 for the period of the conference. This paid leave shall not count towards the yearly cap in Clause 14.2.11, and
- (c) Delegates nominated to attend will be permitted to use Staff Travel to attend the conference.

Yours sincerely

<u>XXXXXX</u>

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

XX Date

Parental Leave – Federal Government Scheme

We refer to our discussions in relation to the operation of the Federal Government Paid Parental Leave Scheme. We attach for your information, Qantas Cascade outlining how the Federal Government Scheme will operate.

As advised, employee access and eligibility for benefits under the Federal Government Scheme will operate independently and separate to Qantas Policy for Paid Parental Leave.

Employees covered by ASU EBA 9 will continue to access benefits under the Qantas Policy for Paid Parental Leave, independent of any eligibility for a benefit under the Federal Government Scheme.

We note that the Federal Government Scheme has different eligibility rules and employees should consult the Family Assistance Office.

Yours sincerely

хххх

Without Prejudice

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

XX Date

Payroll Matters

We refer to our discussions in ASU EBA 9 in relation to payroll matters.

Senior Payroll management has agreed to meet with the ASU on a regular basis (six monthly intervals) to review performance on the resolution of underpayments for employees covered by ASU EBA9.

Yours sincerely

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

XX Date

Dear Linda

ASU EBA 9

Further to our discussion on ASU EBA 9, we have agreed to outline our position to you on the following sub-clauses in ASU EBA 9.

1. Special Conditions

Qantas confirms that in addition to the operation of sub-clause 9.3 (note was 9.8), the following will apply:

By agreement between the company, the majority of employees affected and the ASU, shift lengths of 8 (for part time employees), 9 &1/2, 10 and 12 hours may be worked.

2. Hours of Work – Daywork

Qantas confirms that in addition to the operation of sub-clause 41.4.3, the following will apply:

Despite 41.4.2, the spread of hours in 41.4.1 may be fixed or altered for an employee or group of employees by mutual agreement between the Company and the Union.

3. Shiftwork Arrangements

Qantas confirms that in addition to the operation of sub-clause 41.5.1, the following will apply:

A shift worker must not work more than six shifts in any consecutive seven-day period, unless the Company and the employee or majority of employees concerned and an officer of the relevant Union agree.

4. Shiftwork Rosters

Qantas confirms that in addition to the operation of sub-clause 41.9.1 (c), the following will apply:

Shift work rosters must specify the starting and finishing times of ordinary working hours of the respective shifts and shall be posted to give at least seven days

notice of any change. An exception to this is if the shift work roster has been varied by agreement between the Company and an accredited representative of the Union for the area concerned. In this case, no notice is required.

5. Leave for Consultation Meetings

Further Qantas has also agreed that Clause 14.2.12 will be administered as if it stated that :

The Company must allow employees to attend workplace meetings including involving the ASU to discuss industrial matters without loss of ordinary pay provided the following conditions are observed :

- i. At least 48 hours notice of the meeting is given to the Company; and
- ii. The period of the meeting is no greater than one (1) hour; and
- Minimum staffing levels are agreed between the supervisor and the union delegate(s) having regard to the operational requirements of the day; and

vi. No bans and limitations are imposed as a result of the meeting.

6. Redundancy

Qantas confirms that in addition to the operation of Clause 54 – Consultation, Qantas will not require the ASU to demonstrate that affected employees are ASU members before consulting the ASU under this Clause.

7. Clause 35.2.4 – New Employees in Level 3 at Airports

in relation to the reference to "(other than employees already classified at Level 3 or above under this agreement...)", this means that the practices that applied before EBA 9 on the level and increment level that applies to such employees will continue, for example years of service at Level 3 will be recognised.

Yours sincerely

XXXXX

xxx 2011

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

BY FAX # (03) 9342 1499

Dear Linda,

Contracting Out Protocol

Following discussion on ASU EBA 9 we agreed to outline our position on the operation of the Contracting Out Protocol.

The following will apply in respect to employees covered by ASU EBA 9:

Protocol for Contracting Out and Outsourcing - Airline Officers Only

1. Where Qantas management wishes to make arrangements to "contract out" services in particular business and financial circumstances it should only do so:

(i) After weighing up all alternative options;

(ii) With a comprehensive consultation process and a reasonable time frame for consideration with all Qantas' employees affected by such an option;

(iii) Ensuring the provision of offset work of quality where possible/practical/viable in any contracting out option.

2 The ASU will have access to all necessary company information about any contracting out proposal, which impacts or may impact on staffing. This includes the provision of copies of all contracting-out proposals under serious consideration to the ASU and ASU representatives affected by a contracting-out proposal.

3 Qantas shall resource training necessary for ASU representatives to deal with contracting out. This shall include paid time off for ASU representatives under the auspices of trade union training leave provisions and payment where required for travelling, accommodation and incidental expenses.

4 Qantas will provide reasonable paid time for ASU nominees to attend joint reviews and address ASU members at meetings to respond to the business case of a contracting-out proposal and prepare specific in-house bids.

(i) The members and nominees shall not lose pay as a result of this involvement.

(ii) If requested by the ASU, Qantas will give ASU nominees access to internal departmental expertise where such a request may assist in the process. If it is mutually agreed to be necessary, Qantas will provide external expertise and meet associated costs.

5. The Company in contracting out will be conscious of promoting Australian products/services.

Yours sincerely

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

XX Date

ASU EBA 9 - Reclassification Claims

During EBA9 the ASU made the following claims for reclassifications:

- Load Control
- Freight Load Assembly
- Airports (Adelaide and Melbourne)
- Telephone Sales

The ASU has agreed that Positions at airports are correctly classified as of 1 May 2011 and telesales are correctly classified as of 18 March 2011.

Without prejudice to the outcome, Qantas notes that the ASU still intends to pursue its reclassification claims for load control and freight load assembly.

Additional increments as outlined in the offer of settlement on 18 March 2011 are in recognition of the outcome of negotiations on the ASU claim for reclassifications.

Yours sincerely

хххх

xxx 2011

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

Airports - Part Time Underpayment Claims

During negotiations over ASU EBA 9, the ASU representatives raised issues of underpayment for part time employees in Sydney, Melbourne and Perth Airports.

These claims will be resolved as follows:

1. Qantas will complete the investigation of the current underpayment claims that have been lodged for Sydney and Melbourne airports within 8 weeks that Qantas is advised that the Heads of Agreement is endorsed by the ASU;

2. In the case of Perth the ASU has 6 weeks to provide a list of cases to Qantas and Qantas will complete the investigation of these cases within 8 weeks of the list of cases being provided;

3. This timetable is a best endeavours provision and QF will consult with the ASU if there are legitimate reasons for not being able to meet this timetable.

Yours sincerely

Without Prejudice

If employees vote to accept ASU EBA 9, a signed letter will be provided

xxx 2011

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

Redundancy and Airports Letter

Xxx Date

Package

A. The following applies until 3 months after the nominal term of EBA 9:

- There will be no downgrading of airport classifications or positions as the result of the introduction of Next Generation Check-in.-In addition Level 3 Customer Service staff who undertake hosting duties for next Generation Check-in will continue to be classified at level 3 and will be rotated through a range of level 3 CSA duties;
- 2. An airport employee will not be made compulsorily redundant as a direct result of implementing Next Generation check-in;
- 3. Qantas Airways will not replace current ASU EBA 9 covered positions with QGS or any other Qantas owned ground handling company. No employee covered by ASU EBA 9 will be made redundant as a direct result of their position being outsourced to QGS or to any other Qantas owned ground handling Company.
- B. Conversion of part time to full time positions will be offered to part time employees within the port concerned in order of length of service in the relevant role at that location.
- C. Rostering Committee terms of reference as put by the Company and provided to the ASU on 29 March.

D. One off conversion of 115 CSA positions from part time to full time positions (ie: not Job Share positions unless agreed), inclusive of all existing conversion claims. Distribution of these 115 positions as per the distribution below:

Perth	23
Adelaide	8
SIT	34
SDT	8
MAP	25
Bris	17

Any new full time conversion claims will be based on service after 18 March 2011.

E. The terms of EBA Clause 41.9.1(b) will also be applied to the Perth Domestic Terminal for the life of the Agreement.

Yours sincerely

xxxxx

xxx 2011

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

Telephone Sales

During negotiations over ASU EBA 9, the ASU representatives have expressed concerns in respect to the potential outsourcing or offshoring of our Australian Telephone Sales centres.

In regard to these concerns, for the period until 3 months after the nominal term of EBA 9:

- Qantas reiterates that it has no plans to close the Telephone Sales centre in Brisbane, Hobart or Melbourne. Furthermore Qantas has no plans to use compulsory redundancies in any of the said Telephone Sales centres.
- In addition Qantas would like to draw to your attention our track record over many years of avoiding compulsory redundancies and I reiterate that we have no plans to utilise compulsory redundancies in our Telephone Sales centres.
- It is Qantas' intention to continue to meet our consultation obligations under the EBA, and in addition, to work with our staff to ensure that our Australian Telephone Sales centres continue to be a vital part of our various distribution channels.

Yours sincerely

xxx 2011

Linda White Assistant National Secretary Australian Services Union Ground Floor 116 Queensberry Street CARLTON VIC 3053

Telephone Sales – Discussions on Work Load and Work Allocation

During negotiations over ASU EBA 9, the ASU representatives have expressed concerns in respect to proposed new work processes and workload in Telephone Sales. These were expressed by ASU representatives as "workload issues" and "work allocation issues".

Qantas has agreed to meet regularly with an agreed number of ASU delegates and officials to discuss these matters on a regular basis. These meetings will initially be held quarterly, to commence shortly after the approval of EBA 9. The parties will review the frequency of meetings after twelve months.

The parties will also agree on agenda items to be discussed prior to each meeting.

Yours sincerely