

QANTAS AND LICENCED ENGINEERS UNION REACH AGREEMENT

SYDNEY, 19 December 2011: Qantas and the Australian Licenced Aircraft Engineers Association (ALAEA) have reached a proposed agreement on terms and conditions covering around 1,600 licensed aircraft maintenance engineers.

The proposal is intended to form part of a workplace determination that the parties will ask Fair Work Australia to make and would remain in force until 31 December 2014.

Qantas and the ALAEA have today submitted this proposal to Fair Work Australia as a draft workplace determination for its consideration.

Qantas Chief Executive Officer Alan Joyce said Qantas was pleased that an agreement had finally been reached and that Qantas had maintained the flexibility needed to operate competitively in the global aviation industry.

"After such a damaging industrial campaign, this is a positive outcome that will allow Qantas to move forward with certainty," Mr Joyce said.

"The proposal submitted to Fair Work Australia is a good deal for Qantas and its licenced engineers. However, it does not contain any of the restrictive demands that would have handed control of parts of the airline to the union.

"Throughout the negotiation process, we have been willing to offer reasonable pay increases and conditions – provided the union withdraw its attempts to influence how Qantas is run.

"This deal was achievable nine months ago, without the pain for customers and for employees across the wider Qantas business."

Mr Joyce said that the arbitration process with the pilots' union and Transport Workers' Union was continuing before Fair Work Australia.

"Our message to customers is that you can continue to book with Qantas with absolute confidence," he said.

"Irrespective of the timeframe for the Fair Work Australia process, the unions are unable to take industrial action for the period of arbitration and for the period of the EBA determination – which could be up to four years."

Details of the proposed three-year determination include:

- 3 per cent pay increase per annum
- New licensing arrangements
- Changes which ease restrictions on extended hours rosters
- Arrangements for the transition to retirement for licenced engineers

Issued by Qantas Corporate Communication (Q5348)

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