



A•S•U *in* AIRLINES

Malaysia Airlines

6 May 2013

Bargaining or Not? Obstinate Malaysia Air barrier to reaching a fair EBA

Your ASU Bargaining Team met Thursday 2 May 2013 with the Malaysia Airlines management team, including the external consultant management are using to negotiate the Agreement. Unfortunately your Bargaining Team has a disappointing report to make.

This was the fourth bargaining meeting and negotiations had now reached the pointy end - your wages. We believed the log of claims served on Malaysia was, fair, reasonable and in line with industry standards. Right throughout the negotiations your ASU Bargaining Team were prepared to negotiate the log of claims for an agreement that works for both ASU members and Malaysia.

Unfortunately Malaysia Airlines response was that they were only interested in a "package" of claims meaning that they would not agree on line items, such as the increase to the car allowance rate of 74c/km, without your Bargaining Team agreeing to the Malaysia Air pay rates. This take it or leave it approach caused bargaining to be difficult and frustrating, and in the view of the ASU Bargaining Team was ultimately counter productive, and meant no agreement would be possible at Thursday's meeting without selling out the interests of members.

So the meeting concluded on Thursday with management indicating they intended to issue management's proposed Enterprise Agreement for voting. Having a vote on an agreement that the Bargaining Team and management do not agree on will just cause confusion and bad feeling. Your Bargaining Team believe agreement can be reached, and we will be disappointed if management issue the Agreement in its current form.

The main difference is the wage rates, and particularly that management refused to consider the flat dollar amount being paid to employees at the top of the salary scale, even though in the view of the Bargaining Team this had been agreed at a prior meeting. The difference in the wages claims are:

ASU	Malaysia Airlines
Amended to:	
PMS 5 - \$400 + 5% per year	PMS 5 - \$100 + 5% per year
PMS 4 - \$400 + 4.5% per year	PMS 4 - \$100 + 4.5% per year
PMS 3 - \$400 + 3.5% per year	PMS 3 - \$100 + 3.5% per year
PMS 2 -2%	PMS 2 -2%
PMS 1 - 0 increase	PMS 1 - 0 increase

Where to next?

No date has been set for another meeting. The ASU Bargaining Team is requesting more information from Malaysia Airlines on the figures they used in formulating their pay offer. If management is going to put a low offer on the table, they should at least be made to demonstrate the figures they used in constructing management's pay claim.

The ASU Bargaining Team are willing to continue negotiating but if management do put a draft Enterprise Agreement out for a vote the ASU Bargaining Team will need to see it first before making a recommendation on which way to vote, however management's bargaining approach so far would make it difficult for the bargaining team to recommend a yes vote.

Please contact your local delegate or ASU Organiser if you have any queries on these issues.

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