

Flight Centre contracts unfair

Flight Centre employees are being asked to sign employment contracts that in the view of the ASU are unfair and unjust, in particular in relation to the changes to the remuneration system.

Many flights Centre staff across Australia have been in contact with the ASU asking us for advice about the company's latest move. That is not surprising as the ASU is the largest union in the travel and airline industry with many members in companies like Jetset Travelworld, QBT, Qantas, Virgin Australia and all the overseas airlines that fly to Australia like Singapore, Emirates, Garuda and Air New Zealand.

The ASU knows this industry and knows what experienced travel industry professionals are worth so that is why we have been giving advice and representing our members.

What do we think about the contracts

The employment contracts we have seen have a base salary of \$32,500 for a full time employee.

In Australia the legal minimum wage is currently \$32,354 – so Flight Centre is saying that skilled travel professionals are only worth the minimum base salary paid to less skilled workers. We think this is wrong.

We believe that Flight Centre employees are covered by the Clerks Private Sector Award rates which are much higher than the legal minimum wage.

We know that Flight Centre is saying that there are incentives on top of the base salary but these incentives are not guaranteed.

Flight Centre can also change your duties and reduce your total remuneration by 20% without your agreement – this is not just or fair.

Flight Centre is doing well because staff have done well.

We know that Flight Centre continues to record profits and is the largest and most successful travel company in Australia.

The 2012/2013 profit increased by 23% to \$246 million, up from \$200 million the previous year. And this financial year Flight

Centre is aiming for a pre-tax profit of between \$370 million and \$385 million.

Flight Centre can afford to make sure that staff are paid properly and fairly.

What are we doing

ASU members in Flight Centres across Australia are banding together to stop their remuneration being reduced. Hard working employees are proud that Flight Centre makes good profits and is the largest most successful travel company in Australia. But employees want a fair recognition of their work with proper and just remuneration, not the prospect of reductions in remuneration.

We have written to Flight Centre on behalf of our members you can see our letter on the back.

What should you do?

The ASU advice to employees is not to sign the new Contracts that unilaterally change your remuneration. There is no legal obligation to sign the new Contract as your current Contract will simply continue on.

Time to join the ASU

Now is also a good time to join the union. You can join confidentially, Flight Centre do not need to know you are a member. General Protection Employment laws and Discrimination laws will protect you if you do not sign a new contract, and these laws will protect you as a member of the ASU.

Want more information?

If you want more information contact your local ASU organiser.

STATE	MOBILE
NSW Services	1300 136 604
QLD	1800 177 244
SA/NT	08 83631322
TAS	1300 855 570
VIC PS	03 9320 6700
WA	1800 064 657

Join now

<https://www.asu.asn.au/asujoin>



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4 October 2013

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Dear Sir

RE: OFFER OF NEW EMPLOYMENT CONTRACTS

**Australian
Services
Union**

National Office
Melbourne & Sydney

All correspondence to:

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Carlton South VIC 3053

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National Secretary
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Linda White

The ASU writes regarding the offering of new employment contracts to existing employees. The ASU believes these contracts are unfair, do not adequately remunerate employees and do not properly recognise the efforts of employees in making Flight Centre Limited the successful and profitable company it is today.

The ASU believes that the new contracts will likely reduce an employee's rate of by setting the level of the 'base retainer' rate of pay at barely above the legislated minimum rate of pay. As an example the proposed Contract for a Tickerer is:

Position:	Tickerer		
		Base Retainer	\$32,500 pa
		Incentives	\$20,000 pa

The current minimum wage is \$32,354.40 pa. It has been independently established that the Clerks Private Sector Award applies in the travel industry. The rates in the Clerks Private Sector Award are considerably above the minimum wage so this has the effect of meaning that the base retainer of \$32,500.00 pa is well below the legally required award rate. The ASU notes that there is an Incentives payment proposed in the contracts we have seen, however these Contracts do not mandate that the Incentives payments must be made. Further the contracts seem to anticipate potential breaches of the Award by attempting to use the "*advance commission payment*" to offset current underpayments against future earnings.

The ASU notes that ASU members and other employees are not legally required to sign the new contracts and that they can continue working under their current contracts protected by workplace laws including General Protections, unfair dismissal and anti-discrimination laws. As you know an employee cannot be adversely affected by exercising their right not to sign a contract or by involving the ASU in any discussions about their contract with Flight Centre.

ASU members across Australia have requested that the ASU seek a meeting with you or other company representatives about the new employment contracts.

We look forward to further contact about these issues as soon as possible, please contact Justin Cooney on 03 – 9342 1400 or info@asu.asn.au.

The Union looks forward to your prompt response.

Yours faithfully,

Linda White
Acting National Secretary