

# AFAP Narrow Body EA Update No 17 DDO Infringement and Personal Leave Payments

Following on from our earlier update regarding the timeline for the vote and release of the document, we will be providing updates on specific topics to assist pilots in understanding the proposed EA before voting.

The below update outlines the changes around DDO infringement and personal leave payments in the proposed EA.

## **Infringement Payments**

As Pilots are aware part of the in principle agreement between the AFAP and Virgin was a reduced payment for the infringement of DDOs by up to 2 hours. While this was not the preferred outcome for the AFAP, it was agreed on the basis that the overall package far outweighed the reduced payment for infringements of a DDO by up to 2 hours.

The acceptance of this clause was also the means through which we retained the industry leading DDO buffers. A comparison of minimum days off annually is below and a more detailed comparison including minimum days off per roster period, DDO buffers and hours, the right not to work or otherwise on a day off, and payments for working on days off attached <u>here</u>.

Entitlement	Proposed Virgin EA2024	Qantas EA2020	Jetstar EA2022
Overall minimum DDO entitlement	150 per annum	130 per annum	132 per annum

As pilots can see, Virgin far exceeds Qantas and Jetstar in terms of guaranteed time off under the proposed EA. Qantas is currently in bargaining and the AFAP are seeking improvements in this area however at this time Qantas have not agreed to additional days off or improved buffers.

## Double Drafts

Initially Virgin put forward a claim to pay only one draft per calendar day even if the duty infringed two DDOs. The AFAP successfully negotiated for two payments to remain for a duty infringing two DDO's however applying working on a day off and the new infringement payments clause below. The clause providing for working on a day off at the Productivity Rate is as follows:

## 38.2. Where a Pilot:

(a) agrees to Sign On and performs Work on a Day which is a DDO, Blank Day or Annual Leave Day, they will receive payment at the Productivity Rate for every flight hour or pro rata flight hour flown, with a minimum of five (5) hours pay per Duty; and/or

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(b) performs Work which infringes a DDO, Blank Day, Offline Day or Annual Leave Day, they will receive payments as per clauses 38.4 and 38.5 below.

The clause providing for an infringement payment at the Productivity Rate is as follows:

38.4. Where a Pilot infringes a DDO, Blank Day, Offline Day (subject to clause 25 of Appendix 2 – Part-Time Arrangements) or Annual Leave Day, they will receive the following minimum payment at the Productivity Rate:

(a) Up to and including a one (1) hour infringement – 2 hours pay;

(b) More than one (1) hour and up to and including two (2) hours infringement – 4 hours pay; or

(c) Greater than two (2) hours infringement – 5 hours pay.

Examples of the application of the infringement payment and working on a day off clauses in various different scenarios are <u>attached</u>.

#### Roster Build Protections Remain in Place

It is important to reinforce that nothing in the proposed 2024 Agreement changes the requirement to build rosters with the minimum time off around DDOs as per the current EA. This ensures that circadian rhythm disruptions are minimised around days off and Pilots require BLANK days to switch from a late duty to an early duty.

Pilots may speculate that with reduced infringement payments Virgin will plan closer to the limits of the DDO buffers. However, the risk for Virgin is a delayed duty is not performed, as the Pilot retains the right to not complete a duty that will infringe their DDO (see further below).

#### Right not to work on a DDO

The new EA retains (and further clarifies) the requirement that a Pilot needs to agree to work on a DDO based on their planned DDO buffers. The agreement retains the following requirement:

21.6 Although there may be occasions where Pilots are asked to work on a DDO, they are not required to do so. If a Pilot agrees to work on a DDO, they will receive the payment as outlined in clause 38.

A DDO is defined in the EA as including the buffers:

Means a designated day off and is a period during which the Pilot will be free of all Duty at Home Base (unless otherwise agreed) or base to which temporarily transferred. A DDO shall include two (2) Local Nights and cover at least 36 hours. Consecutive days off shall be in accordance with Appendix 1 – Work Rules, clause 24. A Rest Period may be included as part of a DDO.

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The clause in the EA outlines that a payment is triggered as soon as the planned DDO (calculated back from the sign on time for the Duty following DDO/s) is infringed:

- 38.5. For the purposes of clause 38.4 above, an infringement of a DDO will be deemed to have occurred and a payment triggered if a Pilot infringes the minimum hours or Local Night associated with a Rostered DDO/s as per clause 24 of Appendix 1 Work Rules calculated back from the sign-on time for the Duty following DDO/s. For clarity, the infringement payment will not be applicable if:
  - (a) The Pilot removes from the relevant Duty following the infringed DDOs; and/ or
  - (b) The Pilot elects to work on a DDO within the infringed run of DDOs and that Duty resets the minimum hours associated with a Rostered DDO/s.

This provides a fixed point in time when an infringement to a pilots DDO buffer occurs in day of operations and triggers the infringement payment.

As is the current practice, if a pilot infringes a day off at the end of their duty before days off and after this removes themselves from the relevant duty following the days off (i.e. a pilot goes sick) this will "cancel" the infringement payment as it removes the buffer.

If a pilot has triggered the infringement payment, but later agrees to come in and perform a draft on a DDO prior to the relevant duty this will also reset the buffers. However, pilots may wish to still take the draft payment as it may be more lucrative than the infringement payment. We cover this in examples previously attached <u>here</u>.

## Implementation

Finally, it is important to note that the above infringement payment system will not commence until Virgin has implemented an updated payment system to support it. Until that time (and pilots are required under the EA to be notified as to the Roster Period when that commences) pilots will be paid draft payments as per the current practice (i.e. min 5 hours for any work on a DDO or infringement) but at the higher productivity rate in the new EA.

## **Payment for Personal Leave**

The new EA also includes a clause that personal leave is paid as follows:

32.2. Approved leave, excluding Annual Leave and Long Service Leave, will be paid at the Base Hourly Rate when the total Credit hours accrued for the RP exceeds the Credit Hour Trigger.

Again, this was not our preferred AFAP position, however as with infringement payments it was agreed in the context that the overall package far outweighs the negatives of this clause, It is worth noting that currently personal leave is paid at an hourly rate that is 9% less than the proposed base hourly rate.

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The AFAP also secured agreement that Annual Leave and Long Service Leave would attract credits above the credit hour trigger in an Off-Peak roster (4 hours productivity paid if a pilot took an entire roster period of Annual Leave or Long Service Leave).

The EA also retains the protection of a cap of 69 hours (12.08 days) deduction from a pilot's personal leave balance per Roster Period.

Attached are examples of how personal leave payments will work in practice.

#### Summary

As we stated above the above payment structures were not the AFAP's preferred outcome, however they were concessions made as part of achieving the significant improvement in the salaries and conditions for Pilots overall. As with any negotiation Pilots will need to weigh these up as part of the overall package.

For the AFAP, retention of the current FDP table and industry leading buffers around the DDOs for roster build was critical in protecting Pilots' lifestyle and fatigue at a rostering level.

The AFAP also focused on maximising the REM package in other key areas, particularly higher base salary and re-introduction of a productivity hourly rate that are valued far more highly by Pilots than infringement payments.

As always, we reinforce the need to focus on the overall package and consider the pros and cons as a whole before deciding how to vote.

## Questions

As always members should contact the elected representatives directly, or alternatively post on the AFAP Forum (<u>https://afapvpf.discussioncommunity.com</u>) or email <u>virginNBEBA@afap.org.au</u> should you have any questions or feedback regarding EA negotiations.

Alternatively, email general industrial queries to <u>virginAlC@afap.org.au</u>, Safety and Technical matters to <u>technical@afap.org.au</u>, and HOTAC issues/ reports to <u>HOTAC@afap.org.au</u>.

## Regards,

## AFAP 2024 EA Negotiating Team

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