

TO // **All Jetstar Pilots**

FROM // AFAP Jetstar Negotiating Team

DATE // 27 June 2025

RE // Jetstar EA Update #12

The AFAP Negotiating Team met with Jetstar representatives over one and a half days this week to continue bargaining discussions for a new EA.

Attending on behalf of the AFAP were JPF pilot representatives Chris Gibson, Dom Corcoran, Daniel Blakemore, Ben Bollen, Paul Hogan and Jake Gainger, along with AFAP Senior Industrial/Legal staff Deanna Cain and Patrick Larkins. Ed Nell, TWU Industrial Officer, was also in attendance via Teams.

Attending for Jetstar were Tyrone Simes (Chief Pilot and Head of Flying Operations), Michael Porch (Senior Manager Flying Operations), Leah Everton (Senior Manager Operational Insights & Strategy) and Tim Faulkner (Employee Relations Manager - Flying Operations).

Items addressed over the two days of negotiations were:

Roster Credit Protection (RCP)

Jetstar ran through modelling of various scenarios to gain a clear understanding of the AFAP proposal regarding Roster Credit Protection (RCP) and the implications of different removal and disruption scenarios for Jetstar.

A reminder that RCP has been proposed by the AFAP to provide pilots with greater roster stability and financial certainty by guaranteeing that a pilot's minimum pay for the roster period will be based on the credits assigned at the time of Roster Publish.

Under our RCP proposal, credit reductions would only occur in the case of UFD or Personal FTG. All other credits assigned at Roster Publish would be protected for pay purposes, ensuring that pilots are fairly compensated for the work they were originally rostered to perform and are not left bearing the financial cost of operational disruptions, STB or AVAIL Day callouts that displace other rostered duties, or other changes outside the pilot's control.

Jetstar was particularly interested to understand the application and implications of RCP where pilots went UFD on the first day of multi-day trip and how RCP would interact with pilots picking up and dumping flying into Open Time.

While Jetstar has not yet adopted a formal position, its willingness to model scenarios and engage with the principles behind RCP is a positive step forward.

Enhanced credit system



The AFAP's RCP proposal is supported by a complementary claim to introduce an enhanced credit system, whereby we are seeking that credits apply to days and duties that currently attract no credit value on a pilot's roster.

This includes expanding the current credit system to Standby, Available days, Re-assignable Standy, Long Service Leave, personal (sick/carer's leave), URTI, domestic violence leave, defence force, community service leave (including jury service) and paid parental leave.

These credits are key to improving and protecting a pilots' 'take home pay' and are an integral part of the RCP.

AFAP Lifestyle Purchase Proposal (LSP) and Part -Time Arrangements

Since the AFAP tabled a revised Lifestyle Purchase Proposal (LSP) at our last meeting, aimed at increasing access to part-time work, Jetstar has undertaken significant modelling and analysis of the proposal.

While no agreement has yet been reached, Jetstar has indicated in-principle support for several key initiatives:

- Expanding part-time availability beyond 10%
- Introducing transition-to-retirement arrangements
- Improving accessibility and part-time options for pilots with caring responsibilities.

Discussions are ongoing, and the final outcome regarding LSP, part-time arrangements, and the future of existing VFL arrangements will depend on further negotiation and alignment with a number of interrelated claims.

We acknowledge that there is understandable caution among some pilots about moving away from the current VFL structure. However, the AFAP is taking a holistic approach to improving availability and accessibility of part-time arrangements in light of the current demand and the clear feedback in our EA survey that pilots are seeking the ability to work less duty days for lifestyle reasons and have greater control over their roster. The AFAP will not support any changes that do not serve the best interests of the broader pilot group.

Open Time

The Company and the AFAP acknowledge that Open Time clauses have featured in both the 2015 and 2022 EA's. However, Jetstar still lacks a functioning and reliable system to properly support these provisions.

A key focus identified through the AFAP's EA survey during this bargaining period is the need for a practical and accessible Open Time system. Members highlighted two primary objectives:

- The ability to offload flying duties,
- The ability to swap undesirable duties with other pilots in exchange for time off or more suitable flying.

This week, significant time was dedicated to progressing the AFAP's Open Time proposal. The proposed system is designed to operate independently of the current EFA divisor (75 hours) and is built around the concept of an Open Time Bank (OTB).

Key Features of the Open Time Bank proposed by the AFAP include:



- <u>Crediting Hours:</u> Pilots who pick up flying from Open Time will have 100% of those hours credited to their OTB.
- Maximum Bank Limit: A maximum credit limit will apply to an individual's OTB. Any hours accrued
 above this cap will be automatically cashed out in the following pay cycle.
- <u>Cash-Out Option:</u> Pilots may elect to have all OTB credits paid out (rather than banked). Payments will be made at the pilot's individual EFA rate at the time of cash-out.
- <u>Maximum Debt Limit:</u> A maximum allowable debt (negative hours) will also apply to each pilot's OTB.
- Offload Restrictions: If offloading a tour of duty would result in exceeding the maximum allowable OTB debt, that offload will not be permitted.
- Repaying OTB Debt: Any debt in the OTB can be repaid in two ways:
 - o By picking up additional flying from Open Time, or
 - o Via a deduction from pay, in lieu of working additional days from OT.
- Offloading Only Model: It will be permissible to only offload flying into Open Time and repay the resulting debt, rather than pick up additional flying.

Below is an example of how the Open Time System and Open Time Bank would work in practise:

- **1.** Pilot A is rostered a 7-hour FDP (block credit) on AFL Grand Final day but wants to have the day off. They submit a request via the online Open Time system to offload the duty.
 - Pilot A's block credit (before the swap): 80 hours.
- 2. Pilot B (same base, category, and rank as Pilot A) is rostered a DDO (Day Off) on the same day but would like to work instead.
 - o Pilot B's block credit (before the swap): 80 hours.
- **3.** Pilot B logs into the Open Time system and bids to pick up the duty that Pilot A has offloaded.
 - o If there are no legality issues and Pilot B is the only eligible bidder when the bid window closes, the duty is assigned to Pilot B.
- 4. Outcome:
 - Pilot A retains their original block credit of 80 hours, but their Open Time Bank now reflects a debt of -7 hours.
 - Pilot B also retains a block credit of 80 hours, but their Open Time Bank now has a positive balance of +7 hours.

As you can see by this example, block hours remain unchanged for both pilots, but the Open Time Bank accurately reflects the exchange of duties.

Jetstar has expressed a willingness to continue exploring the Open Time system and was complimentary of the work the AFAP has done in developing a practical and workable concept.

AFAP Renumeration Claim

There have been several questions and comments on the JPF Telegram forum asking when the AFAP will present a remuneration claim, and suggestions that we should be prioritising pay before other matters.

The AFAP absolutely agrees that remuneration is the core focus of this round of EA negotiations, specifically, closing the gap between Jetstar pilot pay and that of Qantas and Virgin pilots.

As outlined in our earlier updates, the AFAP presented detailed benchmarking at the very first bargaining meeting, clearly demonstrating the disparity between Jetstar pilot pay and industry peers. Since then, we



have consistently reinforced to Jetstar management that any agreement that fails to bring Jetstar pilot remuneration into the same ballpark simply will not be supported by the pilot group.

The AFAP is taking a flexible but firm approach. Rather than locking into fixed numbers too early, we are working to fully understand Jetstar's position across a range of areas, especially non-remuneration items, to identify value levers that may allow for a stronger overall pay outcome.

This is a strategic move, not a delay tactic. Jetstar is under no illusion about the pay levels required to reach agreement. But delivering a successful deal is about more than just stating a number, it's about negotiating a package that balances remuneration with other key improvements that matter to pilots, such as Days Off, Roster Credit Protection (RCP), Improved part-time access, Open Time and increased roster flexibility.

Rightly or wrongly, Jetstar, like any employer, looks at the total cost and operational impact of the entire agreement.

It's worth noting that we've only had four bargaining meetings so far: one where AFAP tabled its claims, one where Jetstar tabled its claims, one where there was initial discussion of costings and modelling and this week, we have begun exploring in further detail the concepts and proposals that have been tabled.

This process is still in the early stages. That said, the AFAP has already undertaken extensive preparation and has a clear, disciplined strategy to achieve the best possible outcome for Jetstar pilots.

You can have confidence that your negotiating team is focused and committed to delivering a deal that reflects the value Jetstar pilots bring to the airline, both in terms of pay and lifestyle improvements.

Upcoming Meeting

Our next bargaining meeting with Jetstar is scheduled for the week commencing 21 July. Jetstar has indicated it will use the three-week gap between meetings to finalise its responses to several key AFAP claims.

We will continue to keep members updated as progress is made.

If you have any questions, your pilot representatives are available to assist. Alternatively, you can contact your AFAP industrial officers Deanna Cain, Pat Larkins or Andrew Molnar via email; patrick@afap.org.au, or andrew@afap.org.au or call (03) 9928 5737.

Regards,

AFAP Jetstar Negotiating Team

Ben Bollen, Chris Gibson, Daniel Blakemore, Dominic Corcoran, Jake Gainger and Paul Hogan

