

FAIR WORK COMMISSION

Matter Number: B2025/891
B2025/892
B2025/900

PROTECTED ACTION BALLOT CONFERENCE - Fair Work Act 2009 – s.448A

Outline of Bargaining for:

- Australian Federation of Air Pilots (AFAP)
- Transport Workers' Union of Australia (TWU)
- Australian and International Pilots Association (AIPA)

Parties

1. Express Freighters Australia (Operations) Pty Ltd (EFA/Company/Respondent);
2. Transport Workers' Union (TWU) (Employee Bargaining Representative);
3. Australian Federation of Air Pilots (AFAP) (Employee Bargaining Representative);
4. Australian and International Pilots Association (AIPA) (Employee Bargaining Representative).

Background to Bargaining

1. Prior to the current 2021 Agreement, EFA operated under a 2014 non-union Agreement which expired on 31 December 2018. The 2014 EFA Agreement provided salaries well above the Award salary for pilots employed in specific classifications under the 2014 Agreement depending on years of service. By way of example, at the time the 2014 EA commenced, an experienced Narrow Body Captain was paid over \$20,000 above the Air Pilots Award (Award) salary. This was over 14.76% above the minimum Award salary. The precise figures are \$162,298 (2014 EFA EA) versus \$141,423.48 (Award) as at 1 July 2014.
2. The 2014 EFA Agreement did however contain an unusual salary scale. Anyone who was employed after the commencement date of 11 February 2015 or who changes classification thereafter was locked into the first increment of the Agreement (essentially a B-scale). This classification structure was carried over to the current 2021 Agreement and means that 99% of EFA pilots are locked into the first increment or B-scale (the higher increments have no work to do).
3. Negotiations for a replacement agreement to the 2014 EFA Agreement (which expired on 31 December 2018) commenced 3 months before its expiry.

4. Negotiations continued slowly over 2019. One of the key sticking points included that at this time EFA announced plans to transition from a fleet of older B737 to much larger A321 aircraft and to replace the 1 x B767 with 2 x A330 aircraft. As witnessed in other negotiations taking place in the Qantas Group at this time, Qantas was not prepared to recognise these newer, larger and more efficient aircraft with salary increases. The A321 is approximately 30% larger than the B737 it has replaced as well as far more efficient, technologically advanced and with a greater range. Similarly, the A330 is conservatively 20% larger, far more efficient and with a greater range than the single B767 it replaces.
5. In early 2020, while these negotiations for a replacement agreement were continuing, the Covid pandemic hit.
6. Like other negotiations in the Qantas Group, EFA essentially refused to negotiate over the pandemic and changed its 3% wages policy to a two-year wage freeze followed by 2% increases (this was subsequently adjusted back to 3% wage increases but the 2 year wage freeze remained). As time went on more and more EFA pilots started to receive a lower salary than they would be entitled to under the Award. Initially it was only one or two classifications by a small amount but this increased with each year after its expiry (noting the last salary increase under the 2014 EFA Agreement was January 2018). By November 2021 most EFA pilots were receiving a salary under the now long expired 2014 EFA Agreement, significantly below the Award salary.
7. At that time the AFAP made a s240 application which was allocated to Commissioner Lee. The first conference occurred on 2 December 2021. Another occurred in January 2022.
8. Negotiations continued but on 9 March 2021, sensing a possible opportunity, EFA put a proposed agreement out to vote without the support of the AFAP or AIPA or the pilot representatives. This proposal was voted down.
9. A third and final s240 conference was held before Commissioner Lee on 6 May 2022.
10. By this time the EFA proposal, which was still only barely above the Award, created the situation that many EFA pilots would be entitled to significant amounts of backpay. The company then put out a second agreement proposal for vote with only very minor improvements to the first offer. This time the company was more explicit that it would not improve the offer and any backpay would not be guaranteed in any future offers. Having also witnessed what had transpired with other negotiations elsewhere in the Qantas group, the EFA pilot group voted up the second proposal and it was approved on 30 August 2022. This sub-standard agreement which was pushed through under the threat of removing backpay nominally expired on 31 December 2024.

11. In summary, Qantas bought EFA and took over a 2014 Agreement which paid pilots flying older B737 aircraft and one B767 aircraft significantly above the Award. In the lead-up to, during and in the initial aftermath of Covid, Qantas/EFA took the opportunity to fully exploit the situation and push through the current highly sub-standard Agreement. This included paying below the Award, re-fleeting and threatening backpay.
12. This is the background to the current bargaining. It explains why the pilot group feels mistreated by EFA. It also explains why the pilot group feels that they need to make significant progress in this negotiation – just to reclaim the ground that has been lost in recent years and close the gap on other operators, including operations flying the same aircraft within the Qantas Group.

Summary of Current Bargaining to Date

1. In June 2024 the AFAP wrote to EFA noting that the salary rates paid under the current 2021 Agreement were about to again fall below the Award salaries (with the 1 July 2024 safety net adjustment). The AFAP requested that the salaries be topped up to the Award salary and that bargaining commence as soon as possible. EFA refused both requests and the unions subsequently made an application for a bargaining order and an application under s206. The bargaining order application was discontinued when EFA agreed to commence bargaining just prior to the first conference and the s206 continued and is currently awaiting an Appeal decision. With the recently announced 3.5% Award increase (effective from 1 July 2025), the salaries currently paid at EFA will fall further below the Award salary.
2. On 29 November 2024, the AFAP, TWU and AIPA jointly conducted a detailed survey of members.
3. On 10 January 2025, the TWU, AFAP and AIPA sent a detailed “Joint Statement of Claims” to Express Freighters Australia (EFA). This “Joint Statement of Claims”, covering 104 pages, explained each claim or issue of concern, the reasoning behind the issue or claim, citing evidence in support of the claim, and the proposed resolution. The “Joint Statement of Claims” also advised EFA that resolution/agreement of a certain issue may reduce or resolve another claim within the “Joint Statement of Claims”.
4. The first meeting between the TWU and EFA was held on 14 January 2025. The first bargaining meeting between the AFAP and EFA and AIPA and EFA was held on 16 January 2025.
5. Further meetings, at the request of the Unions, were held jointly in Sydney. The bargaining meetings, involving the TWU, AFAP and AIPA and their pilot representatives, were held with EFA on:
 - a. 5 February 2025;

b.6 February 2025;

c. 18 March 2025;

d.1 April 2025;

e.29 April 2025; and

f. 14 May 2025.

6. On 12 May 2025, ahead of the joint bargaining meeting on 14 May 2025, the unions, sent a “without prejudice” proposal to EFA. This proposal was discussed with EFA representatives during that meeting. EFA undertook to come back with a comprehensive response the unions claims before or on 2 June 2025.
7. On 2 June 2025, another bargaining meeting was held between the parties in Melbourne. EFA presented its proposal (or counter-proposal) at this meeting to the joint unions.
8. On 4 June 2025, the AFAP and TWU each filed a Form F34 – Application for a protected action ballot order and Form F34B - Declaration in support of an application for a protected action ballot order – in the Fair Work Commission. On 5 June 2025, AIPA filed a Form F34 and Form F34B.

Outstanding Claims

9. EFA and the Unions remain apart on a broad range of items covering remuneration and working conditions:

Remuneration

10. Express Freight Australia is a wholly owned subsidiary of Qantas Airways Pty Ltd (Qantas), and forms part of an extensive Qantas supply chain. Network Aviation is also a wholly owned subsidiary of Qantas. Both subsidiaries operate A319/A320/A321 (A320 family) aircraft.
11. A320 family aircraft are also operated by Jetstar (also wholly owned by Qantas) and are currently being introduced as the replacement aircraft for B737 aircraft at the Qantas mainline Short Haul operation. The salary rates and conditions at Jetstar and Qantas for the A320 aircraft is far superior to the salary rates and conditions currently paid (or proposed) at EFA and the rates proposed for Network Aviation.
12. In October 2024, Network Aviation and relevant unions were engaged in an intractable bargaining dispute.

13. The following table compares Network Aviation's proposed workplace determination remuneration schedule in the recent intractable bargaining dispute, to the current EFA remuneration offer (updated to include the 5% all purpose allowance being rolled in, as advised by EFA on 13 June 2025). It's important to note that both sets of pay rates are for Pilots operating A320 family aircraft under a Qantas subsidiary. These rates are also less than those paid at Jetstar or Qantas for flying the A320 family of aircraft.

Years of Service	Network Captain 2026	EFA Captain 2026	Captain Difference 2026	Network FO 2026	EFA FO 2026	FO Difference 2026
Commencement	\$231,991.91	\$221,130.15	\$10,861.76	\$150,344.43	\$143,778.85	\$6,565.58
3 years	\$238,951.66	\$224,447.11	\$14,504.55	\$154,854.76	\$145,935.53	\$8,919.23
5 years	\$246,120.21	\$227,813.81	\$18,306.40	\$159,500.41	\$148,124.56	\$11,375.85
7 years	\$253,503.82	\$231,231.02	\$22,272.80	\$164,285.42	NA	NA

14. As demonstrated, Captains at Network Aviation are set to earn between \$10,861 and \$22,272 more than their counterparts at EFA, depending on years of service, under the Network proposal of 2 June 2025.
15. First Officers at Network Aviation are set to earn between \$6,565 to \$11,375 more than EFA First Officers.
16. These remuneration discrepancies are not based on aircraft type, qualifications, or any other worthy variable, but rather on the subsidiary Qantas uses to employ the pilot.
17. This highlights the inadequacy of EFA's proposed remuneration when assessed against comparable benchmarks, particularly pilots flying on the same aircraft in the same employer group.

Other outstanding claims

Category	Claim
Conditions	Seniority as primary consideration for promotion, transfer and redundancy
	New roster bidding system within 6 months
	Clear contactability guidelines, incl. AX days
	Reimbursement for aviation medical and passport/visa costs
	Amended indemnity clause
	FDAP protocol with gatekeeper and process
	Guaranteed business class travel under specified conditions

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	Hotel standards aligned with Qantas SH EA
	ATO dinner allowance for narrow-body flight duties
	NES redundancy with no reduction after 10 years
	Protections against forced transfer to Western Sydney Airport
Hours of Work	Jointly developed rostering manual, max 2 AX days per roster
	Roster changes outside 2-hour buffer only by agreement, with variation payment
	10 rostered days off per cycle, 2 weekends included unless opted out
	Work on RDOs only by mutual agreement
	Sign-on and sign-off times in EA
	Minimum 15 hours rest after any flight duty
	Max 12-hour planned duty for non-operational tasks
	Limit 2 reserve duties per bid-period, call-in notice of 2-3 hours
	2200–0600 leave buffers
	Max trip length of 6 days (exceptions for overseas simulator)
	Displaced reserve duties restricted to original duty unless agreed, variation payment applies
	Simulator travel scheduling limits and jeopardy buffers
Remuneration	Narrow-body Captain salary \$250,000 from 1 Jan 2025; wide-body 15% higher; FOs at 65%
	1.5% service increments annually over 10 years
	3% annual wage increases from 2026–2028
	RDO/Leave Day work paid at salary ÷ 110
	Trainer Allowance (Level 1–4), indexed at 3% annually
	Choice of Loss of Licence scheme (Award or Company)
	Duty Hour Allowance (Captains \$17, FOs \$11.06)
	Roster Variation Allowance (\$220 Capt, \$143 FO), indexed at 3%
	Meal allowances as per ATO determination TD2024/03
Leave	6 weeks annual leave, min 4 weeks to be taken annually
	Parental leave aligned with current Qantas policy
Flexible Work	Min. 20% of pilots eligible for part-time arrangements
Consultation and Dispute Resolution	Quarterly Pilot Council meetings with management
	Dispute Resolution clause aligned with Fair Work Act model

As requested, the above is an outline of the bargaining to date and the outstanding issues. The unions have a template of a proposed agreement (similar to one

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provided to EFA in the previous round of bargaining) however EFA has indicated that it is unwilling to commence drafting until all matters are agreed in principle.

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Executive Director AFAP	Industrial Officer TWU – National Office	In-House Lawyer AIPA

Dated: 16 June 2025

(updated 23 June 2025 to include 5% all purpose allowance being rolled into EFA base salary)