

16 October 2024

Mr Jun Li General Manager Oxford Aviation Academy (Australia) Pty Ltd T/A CAE Australia Flight Training Moorabbin Airport, Moorabbin Victoria 3194

Sent via email only: <u>Jun.Li@caemft.com</u>
CC Sunita.Gothwal@caemft.com

Re. CAE Major Change

Dear Mr Li,

The Australian Federation of Air Pilots (**AFAP**) write on behalf of AFAP members employed by Oxford Aviation Academy (Australia) Pty Ltd, T/A CAE Australia Flight Training (**CAE**).

The AFAP write regarding major change and various significant affects that will impact pilots.

The AFAP acknowledge there may be difficult circumstances and decision regarding the decision to make changes. However, as CAE recently made redundancies late in 2023, and re-employed pilots in early 2024, the instability in CAE structure impacting our members is concerning.

As the CAE decision may result in employment termination (redundancies), significant impact on our members at no no fault of their own, we therefore request continued efforts from all parties to work through this matter respectfully. The AFAP expect that CAE will correct any deficiencies identified in the consultation process including the require notice and information provided in writing – that allows pilots and their representatives to review and genuinely engage in these discussions.



Genuine Redundancy as per FW Act

A genuine redundancy must meet the requirements of s.389 of the Fair Work Act 2009 (Cth) (**FW Act**).

FAIR WORK ACT 2009 - SECT 389

Meaning of genuine redundancy

- (1) A person's dismissal was a case of genuine redundancy if:
- (a) the person's <u>employer</u> no longer required the person's job to be performed by anyone because of changes in the operational requirements of the <u>employer</u>'s <u>enterprise</u>; and
- (b) the <u>employer</u> has complied with any obligation in a <u>modern award</u> or <u>enterprise</u> agreement that applied to the employment to consult about the redundancy.
- (2) A person's dismissal was not a case of *genuine redundancy* if it would have been reasonable in all the circumstances for the person to be redeployed within:
- (a) the employer's enterprise; or
- (b) the enterprise of an associated entity of the employer.

Consultation Requires in FW Act

The consultation process as per clause 30 of the Award, and as per s.389 of the FW Act requires the Award terms to be appropriately fulfilled.

30. Consultation about major workplace change

30.1 If an employer makes a definite decision to make major changes in production, program, organisation, structure or technology that are likely to have significant effects on employees, the employer must:



- (a) give notice of the changes to all employees who may be affected by them and their representatives (if any); and
- (b) discuss with affected employees and their representatives (if any):
- (i) the introduction of the changes; and
- (ii) their likely effect on employees; and
- (iii) measures to avoid or reduce the adverse effects of the changes on employees; and
- **(c)** commence discussions as soon as practicable after a definite decision has been made.
- **30.2** For the purposes of the discussion under clause 30.1(b) , the employer must give in writing to the affected employees and their representatives (if any) all relevant information about the changes including:
- (a) their nature; and
- (b) their expected effect on employees; and
- (c) any other matters likely to affect employees.
- **30.3** Clause 30.2 does not require an employer to disclose any confidential information if its disclosure would be contrary to the employer's interests.
- **30.4** The employer must promptly consider any matters raised by the employees or their representatives about the changes in the course of the discussion under clause 30.1(b) .
- **30.5** In clause 30 **significant effects** , on employees, includes any of the following:
- (a) termination of employment; or



(b) major changes in the composition, operation or size of the employer's workforce or in the skills required; or

(c) loss of, or reduction in, job or promotion opportunities; or

(d) loss of, or reduction in, job tenure; or

(e) alteration of hours of work; or

(f) the need for employees to be retrained or transferred to other work or locations; or

(g) job restructuring.

30.6 Where this award makes provision for alteration of any of the matters defined at clause 30.5, such alteration is taken not to have significant effect.

Decision & Notice

The AFAP to represent our members require the details regarding the decision and the notice that has been provided. Discussions have referred to this as a reduction in headcount (or staff) in CAE, including removing the role of training managers.

The AFAP seek that CAE provide us with written notice (a formal communication in writing) outlining the major decision and major change that is proposed to occur in accordance with the details below.

This correspondence of the decision, would include transparency of the current workplace structure and the resulting structure from the decision, that is a transparent list current positions and resulting positions after major change.

There is no doubt that significant changes, including reduction in promotional opportunities is occurring, therefore all information about changes will be relative to the employment of all employees at all levels (that is consultation must include all information to all employees, and the AFAP as representative).



This information above and compliance step is required, before discussion and feedback in clause 30.1 (a) that the details in clause 30.2 of the Award, the notice and (emphasis) written information must be provided to the pilots and their representatives.

CASA Operations

CAE is bound by the CASA legislation and regulations, including requirements for an approved operations manual. The decision to remove training mangers from the operational structure therefore raises questions about what the proposal means for the operations and what implications may occur on our members due to major change.

The AFAP query what are the effects on current operations, and whether this major change has been reviewed and discussed with CASA? Will the decisions result in a change to the operations, and therefore operations manual, and if so, when will that occur?

CAE – Approach to Redundancies

Information shared verbally so far indicates there will be a reduction of classification groups.

Therefore, the AFAP propose the following steps to mitigate the negative impacts of the pilot group, consultation be transparent and written document be provided.

Allow time for individuals under the Award to seek representation, including advice regarding the proposed changes and feedback (over 1 week), including feedback on the process to mitigate negative impacts.

If the decision remains to reduce staffing, steps to reduce the impact include the following;

- 1. Voluntary redundancies are called from each group,
 - CAE provide an additional separation package to encourage voluntary redundancies in addition to statutory required redundancy payments, as well as notice to be paid in lieu,
- 2. Redeployment options are also announced for pilots and determined prior to any outcomes,
 - This process is reviewed and completed.



- Including to consider any associated entities relative to CAE that may have redeployment options.
- 3. Steps 1 & 2 should provide details of these proposals, including the expected outcome for employees if they were to seek redeployment (position information, duties and salary), or in case of redundancy expected conditions, allowing them to seek legal and financial advice prior to any decisions.
- 4. If there remains to be a need to reduce identified workgroup numbers after steps 1 & 2, CAE to undertake an assessment based on agreed criteria, that is transparent and therefore can not be considered targeted on individuals (as it is the particular jobs that are redundant).

Next Steps

The AFAP note CAE have commenced the process, and request to respond to the AFAP by close of business Thursday 17 October 2024, to AFAP Industrial Officer, Jason Newell Jason@afap.org.au. This allows as to more immediately engage with our members for further questions, feedback and information during the process.

Regards,

Jason Newell

AFAP Industrial Officer