

# Qantas may not win ASU approval for pay freeze after posting record profit

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## Oil and cost falls mean smoother ride for Qantas

Qantas' domestic business, oil prices and cost cutting are big reasons why the airline has enjoyed a strong turnaround.

Qantas workers have urged their boss Alan Joyce to back off plans to freeze their pay after the airline posted a record half-year profit of almost \$1 billion.

After Qantas [announced its \\$921 million profit before tax on Tuesday](#), Linda White, the assistant national secretary for the Australian Services Union, said it was "going to make it a bit hard" to ask her low-paid members to accept a pay freeze in their next enterprise agreement.

The comment was posted on social media after the airline announced on Tuesday it would return \$500 million to shareholders as a result of the profit, which was helped by lower fuel prices, strong demand for international flights and ongoing cost cutting.



Qantas CEO Alan Joyce's hefty bonus is in the sights of unions before the next round of enterprise agreement talks. *Photo: Ben Rushton*

The union said workers had increased their productivity since Qantas started shedding 2000

to 5000 jobs in 2014 and did not deserve to have their pay frozen.

The ASU also took a swipe at the size of Mr Joyce's bonus on Facebook: "Qantas announce record breaking profits as Alan Joyce, the \$12 million man, tells workers to take a wage freeze. That's cold."

A Qantas spokeswoman said the wage freeze depended on the agreement of employees.

"We've been very clear that the 18-month wage freeze is something all employee groups need to sign up to," she said.

"We've already had 24 employee groups, covering around 10,000 employees, agree to the 18-month wage freeze, and it wouldn't be fair for one employee group to not have to sign up to it purely due to the timing of their EBA negotiations.

"We also have a 5 per cent bonus in place for employees who sign up to a new EBA with an 18-month wage freeze.

"This has always been about a more competitive Qantas that can be sustainably profitable."

Qantas says it has paid \$50 million in bonuses for employees who have signed up to the wage freeze, with another \$40 million set aside for remaining groups including the ASU, whose enterprise agreements will soon be negotiated.

Qantas also announced plans to introduce high-speed Wi-Fi on Qantas domestic flights, with trials starting by the end of this year. It will also build a new lounge at London's Heathrow Airport next year.

Qantas has also credited initiatives during the first half including the consolidation of call centres, adding more seats to Boeing 737s and updating the airline's revenue management system in helping deliver a profit.

The airline will recruit new pilots for the first time since 2009, when it receives new Boeing 787-9 aircraft from next year.

Jetstar workers at the weekend rejected a Qantas proposal the Transport Workers Union says would have locked employees into a four-year low-wage deal, enforced a wage freeze and bypassed penalty rates.

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