DATE: 20 December 2019

TO: Chambers of Vice President Catanzariti

COMPANY: Fair Work Commission

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FROM: Jill Hignett

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OF: HR LAW

FILE NO: 409

RE: AM2018/14 - FOUR YEARLY REVIEW

OF MODERN AWARDS - AIR PILOTS AWARD 2010 - SUBSTANTIVE ISSUES



EMAIL TRANSMISSION

STRICTLY PRIVATE AND CONFIDENTIAL

Dear Associate

We refer to the above matter and the Directions dated 4 December 2019.

As no agreement has been reached between the parties on the draft of the training bond clause, Alliance makes the following submissions in reply in accordance with Order 5 of the Directions.

Submissions on behalf of Alliance

Alliance submits that the training bond clause should remain in the form proposed by Alliance, the RAAA and the AFAP at the hearing of the matter on 12 November 2019. We have **attached** the training bond clause in the form proposed for reference.

Extensive negotiations and consideration was given to the **attached** training bond clause which it is submitted reflects the breadth of operators in the industry.

It is submitted that the **attached** clause sufficiently achieves the minimum safety net objectives of award provisions without being overly descriptive.

We have copied the other parties to this matter into this correspondence for the purpose of service.

If we can be of any further assistance, please let us know.

Yours faithfully

Jill Hignett Director

Accredited Specialist (Workplace Relations)

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Training Bonds

13.6(1) An employer and a pilot may, by agreement, enter into a training bond whereby the costs of training which have been or are to be borne by the employer may be recovered from the pilot if the pilot ceases to be employed by the employer within a period of time agreed between the pilot and the employer, subject to the following:

- A. The Training Bond must be agreed between the employer and an individual pilot.
- B. The Training Bond must be in writing, specify the amount of the bond, and be signed by the pilot prior to commencing training.
- C. The maximum term of the Training Bond will be two (2) years for piston engine/turbo prop aircraft and three (3) years for jet aircraft.
- D. The training bond amount cannot exceed fifty percent (50%) of the actual cost of the training.
- E. The Training Bond amount reduces on a monthly pro rata basis over the term of the Training Bond from the commencement of the training.
- F. A pilot can only be subject to one Training Bond at a time. Where a pilot is subject to one Training Bond and subsequently enters into another, the bonds are not cumulative and the highest value Training Bond will apply.
- G. The employer can only recover an amount payable under a Training Bond where the pilot resigns, or their employment is terminated for serious misconduct.
- H. No amount can be recovered in the case of redundancy, loss of medical licence by the pilot, termination of employment by the employer (except in the case of serious misconduct) or where the Pilot fails the training course.
- I. A Training Bond cannot be entered into in circumstances where an employer directs a pilot to undertake training.

13.6(2) For the avoidance of doubt, a Training Bond can only be entered into between an employer and a pilot in respect of:

- (a) Class and type rating training necessary to operate a particular aircraft, including the aircraft type for which the pilot was initially employed (including pre-employment training and initial class and type rating training); and
- (b) Upgrade training (change in rank and status training).