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By your side

Friday 9th October 2020

Victoria Harris
National HR Leader – Australia
victoria_harris@flightcentre.com

Dear Victoria,

Re: Termination of Employment

We refer to correspondence that Flight Centre Travel Group ('the FCTG') sent to employees covered by the Flight Centre Enterprise Agreement 2018 ('the Agreement') on 30 September 2020, as well as the Leader Session at 10:30am on Thursday, 1 October 2020 (AEST). We also refer to our meeting on Wednesday, 7 October 2020.

Major Change Decision

In the 30 September correspondence sent to its employees, FCTG provided notice that a definite decision to introduce major change had been made. At the Leader Session following the notice, FCTG commenced consultation with its employees. FCTG confirmed that "all positions had been made vacant" and all staff would be sent an Expression of Interest ('the EOI') to apply for a new role within a restructured retail store structure.

FCTG also gave its employees an ultimatum to respond to the EOI or risk of being deemed resigned. The FAQs document attached to its letter to each employee states:

You are welcome to apply for full time or part time roles that meet your personal circumstances, but you **MUST** complete an EOI for your current role type (at your preferred location and FTE).

If an employee does not respond to the EOI, FCTG says they have grounds to deem the employee resigned and terminate the employee without paying the employee their redundancy entitlements.

At the meeting last Wednesday, FCTG clarified a number of matters about the EOI process. The most significant matters to the ASU were that FCTG intends to assess each EOI based on the applicant's performance and then notify each applicant whether their EOI was successful by an offer of direct appointment. FCTG also confirmed that any employee who submitted an unsuccessful EOI process would be contacted to complete the redundancy process, including potentially being offered temporary redeployment to a part time position for a maximum of 6 months.

We also discussed the issue of deeming an employee resigned if they do not submit an EOI. Following the meeting on Wednesday, the ASU formed the view that the only way that FCTG could

deem an employee resigned under the Agreement is if they categorise the failure to submit an EOI as either 'serious misconduct' or 'renunciation of their employment contract'.

The ASU believes that either of the afore mentioned grounds for terminating the employee without notice, would be untenable.

Serious Misconduct

The Agreement provides for termination without notice 'for reasons including serious misconduct' at clause 28.3. The Agreement also affirms that Reg 1.07 of the *Fair Work Regulations 2009* (Cth) prescribes the meaning of 'serious misconduct'.

The ASU believes that a failure to submit an EOI would not meet that threshold.

Abandonment of Employment

Clause 28.4 of the Agreement provides that FCTG may deem that an employee has renounced their contract of employment through conduct amounting to abandonment of employment and prescribes the conduct as absences from work for 'continuous periods of 3 working days, without the consent of the Company and without good cause'.

The ASU notifies FCTG that a failure to submit an EOI does not constitute an unauthorised absence from work for the purposes of satisfying the Agreement provisions.

Dispute Notification

For the reasons outlined in this letter, should FCTG continue to press the view that they can deem an employee who fails to submit an EOI as having resigned, we will be in dispute.

We look forward to your response by email to jknight@asu.asn.au by COB on Monday, 12 October 2020. Please contact me on 0419 593 396 to discuss anything further.

Finally, we reserve our rights under the Agreement and the *Fair Work Act 2009* (Cth) to initiate proceedings in an appropriate jurisdiction if we are not satisfied with your response.

Yours sincerely



Joanne Knight
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