DATE: 4 November 2019

**TO:** Chambers of Vice President Catanzariti

**COMPANY:** Fair Work Commission

**EMAIL ADDRESS:** <u>chambers.catanzariti.vp@fwc.gov.au</u>

amod@fwc.gov.au

FROM: Jill Hignett

j.hignett@hrlawyers.com.au

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 hearing scheduled for 12 to 14 November 2019 in the above-mentioned matter.

We respectfully seek leave to file the **attached** Third Statement of Tracie Deegan General Manager, HR & Development at Alliance Airlines Pty Ltd ("Alliance") prior to the hearing, which outlines additional factual matters relevant to this matter and supports Alliance's application.

We have copied the other parties to this matter into this communication 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)

**HR LAW** 

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No. AM2018/14

Fair Work Commission

Four Yearly Review of Modern Awards - Air pilots Award 2010

Statement of: Tracie Deegan

Address: 81 Pandanus Avenue, Eagle Farm QLD 4009

Occupation: General Manager, HR & Development

#### THIRD STATEMENT OF TRACIE DEEGAN

- I, Tracie Deegan, General Manager, HR & Development, 81 Pandanus Avenue, Eagle Farm QLD 4009, state as follows:
- 1. I have made two previous statements in this matter:
  - (a) "Statement of Tracie Deegan" filed on 5 July 2019 ("Initial Statement"); and
  - (b) "Second Statement of Tracie Deegan" filed on 2 August 2019 ("Second Statement"),
- 2. I wish to outline the following additional factual matters in support of the amendments sought by Alliance Airlines Pty Ltd ("Alliance") to clause 16 of the *Air pilots Award 2010*.

#### MY EXPERIENCE WITH TRAINING BONDS

#### **Background to Alliance's operations**

- 3. As stated in my initial statement, I have been employed by Alliance as General Manager, HR & Development since 2008.
- 4. At all material times Alliance has operated, and continues to operate, the following three types of aircraft: Fokker 100; Fokker 70; and Fokker 50. Currently, Alliance has 33 Fokker 100's, 16 Fokker 70's and five Fokker 50's.
- 5. Alliance currently operates across Australia and on an ad hoc basis across, New Zealand, the Pacific Islands and South East Asia.

#### **Training Bonds**

- 6. From the commencement of Alliance's operations in 2002 it has consistently used training bonds for all of its employed pilots. Currently, Alliance has entered into training bond arrangements with 56 pilots. Since 2010, Alliance has entered into training bond arrangements with 256 pilots.
- 7. Prior to 2010, Alliance had a different payroll system and it is difficult to determine the exact number of pilots who had entered into training bond arrangements. However, throughout my period of employment with Alliance, the number of pilots who were subject to a training bond from time to time did not fluctuate greatly.
- 8. In particular, Alliance has always entered into training bonds with its pilots in relation to both

| Alliance Airlines Pty  | Ltd   |   |  |
|------------------------|---|---|--|
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|                        | Jill Hignett, Director<br>HR Law<br>GPO Box 1572, BR<br>j.hignett@hrlawyers | Jill Hignett, Director HR Law GPO Box 1572, BRISBANE, QLD 40 j.hignett@hrlawyers.com.au | HR Law GPO Box 1572, BRISBANE, QLD 4001 j.hignett@hrlawyers.com.au |

endorsement and upgrade training.

## **Endorsement and upgrade training**

- 9. 'Endorsement training' is for a pilot who currently has a pilot's license for one type of aircraft, but who is required to undertake Civil Aviation Safety Authority ("CASA") training to obtain a license for a different aircraft type. For example, if a pilot had an aircraft license for a Fokker 50 aircraft and they wanted to fly a Fokker 100 aircraft, they would have to undertake endorsement training to fly the Fokker 100 aircraft. The requirement for this type of training is imposed by CASA, and CASA prohibits the pilot from flying the Fokker 100 aircraft until the pilot has completed the training and CASA has issued the pilot with the new licence.
- 10. Pilots who commence employment with Alliance may or may not already have a 'type endorsement', i.e. endorsement to fly a particular type of aircraft, e.g. a Fokker 50, Fokker 70 or Fokker 100 in the case of Alliance. If a commencing pilot already had type endorsement, he or she would only have to undertake training that is required by Alliance, which is training in company policies and procedures. In these circumstances, Alliance pays for the cost of the training but does not enter into any training bond arrangement with the pilot.
- 11. If the pilot did not have a type endorsement then CASA would require the pilot to undertake the endorsement training. In these circumstances, Alliance pays for the CASA-required training and Alliance enters into a bond arrangement with the pilot for this training. **Attached** and marked "A" is a copy of a typical bond agreement into which Alliance would enter with a pilot for this type of CASA-required endorsement training.
- 12. 'Upgrade training' is undertaken when a pilot seeks to move from the rank of First Officer to a Captain. This is a form of transition training and would normally be considered following a request from a First Officer. This training is required by CASA. The pilot would be required to undertake CASA-required training to have their licence changed from a First Officer licence to a Captain licence (although the licence type would be for the same type of aircraft). In these circumstances, Alliance enters into a bond arrangement with the pilot. Attached and marked "B" is a copy of a typical bond agreement into which Alliance would enter with a pilot for this type of CASA-required upgrade training.
- 13. The requirement to have endorsement (type rating) is set out in Part 61, Regulation 61.375 of the Civil Aviation Safety Regulations 1988 ("CASR"). Attached and marked "C" is a copy of this regulation. All pilot training syllabus, endorsement and upgrade training, is provided for within a Check and Training manual that must be approved by CASA. This manual and the contents are audited by CASA and any amendments must be approved by CASA.
- 14. The CASA required components for a type rating to be issued are set out below:
  - (a) Engineering Ground School;
  - (b) Weight / Balance / Performance;
  - (c) Performance:
  - (d) RVSM, RNP10, PRM Classroom & FLT Plng;
  - (e) Performance / Px Home; and
  - (f) Flight Deck Procedures & LMS.
- 15. The Alliance components are company required but also form part of an overall training syllabus that is approved by CASA and includes components such as Emergency Procedures, Human Factors and Company Induction.

| Filed on behalf of  | Alliance Airlines Pty  | / Ltd         |                    |  |
|---------------------|------------------------|---------------|--------------------|--|
| Prepared by         | Jill Hignett, Director |               |                    |  |
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- 16. A typical example of a situation involving the use of a training bond is where a pilot who currently holds a Dash 8 aircraft licence applies for a position with Alliance. Although this pilot is successful in their employment application with Alliance, they cannot be checked to line (i.e. operate Alliance's aircraft) until they have undertaken full type endorsement training required by CASA to fly the Fokker 100 aircraft. The pilot would therefore be offered a position with Alliance subject to their completion of the required CASA training and obtaining the required licence from CASA; and subject to entering into a training bond for this training. The CASA required 'Type Rate Endorsement' training is an eight to ten week training program.
- 17. Upon successful completion of this training program, and upon CASA being satisfied as to the pilot's competency, the pilot would be issued with a type rate licence and they would then be checked to line and would be able to fly the Fokker 100 aircraft. In these circumstances the training bond is in existence and will continue to be enforced subject to the terms of the bond. If a relevant pilot voluntarily left during a CASA training period (i.e. to go to another airline), the training bond would be enforced.
- 18. If the relevant pilot was unsuccessful in the endorsement training and CASA did not issue the pilot with a licence, the relevant pilot's employment with Alliance would be conditional on them obtaining the requisite licence.
- 19. Alliance has not in the past required a pilot who failed to complete the endorsement training to pay back the training bond.

#### **Terms**

- 20. Training bonds have contained terms which are agreed between each individual pilot and Alliance.
- 21. These terms are generally, in effect, that:
  - (a) Alliance will provide training to the pilot at no cost to the pilot.
  - (b) In return for the training provided free of cost, the pilot will remain in employment with Alliance for a minimum period.
  - Except as otherwise provided for in the training bond, the pilot will be released from the return of service employment requirement, where reimbursement of a "Compensation Sum" has been paid.
    - (d) "Compensation Sum" is an amount reflective of when termination is effected, i.e. whether it is effected before completion of the training, at completion of the training or after completion of the training but before the date the pilot is to be released from their return of service obligation.
    - (e) The Compensation Sum must be paid if:
      - the pilot terminates his or her employment with Alliance for any reason (apart from the suspension or cancellation of his or her pilot or prospective pilot's licence on medical grounds); or
      - (ii) Alliance terminates the pilot's employment (whether or not summarily) for reason of the pilot's misconduct, performance or capacity (apart from the suspension or

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| •                   |                        |               |                    |  |

cancellation of his or her licence on medical grounds).

- (f) The Compensation Sum does not need to be paid if Alliance ceases to operate the aircraft which the flying training is being conducted on or if the pilot and Alliance have entered into a training bond similar in purpose and effect to the training bond they have already entered into, for subsequent training.
- 22. As stated above, attachments "A" and "B" are copies of bonds Alliance would enter into with a pilot for, respectively, CASA required endorsement and upgrade training which set out these terms.
- 23. The periods and amounts contained in training bonds entered into between Alliance and its pilots vary for each individual pilot depending on the circumstances.
- 24. Normally, training bonds for endorsement training require a pilot to remain employed by Alliance for a period of 24 months and for command upgrade training, for a period of 12 months, from the date the relevant pilot starts training or completes training (depending on what is agreed), unless specific circumstances would dictate otherwise. Currently out of the 56 pilots who are bonded, all are required to remain employed by Alliance for 24 months for endorsement training and 12 months for command upgrade training.
- 25. The costs of training and the Compensation Sum will ultimately vary considering the costs associated with training and they are also dependent on where training takes place (as I state in paragraph 4 of my Second Statement) and on what training is being undertaken. The compensation amount needed to compensate Alliance for the costs of the training provided to a pilot if they leave before they have completed their return of service obligation will be reflective of this cost.
- 26. Alliance's training bonds are currently to a maximum of:
  - (a) \$30,000.00 for endorsement training; and
  - (b) \$15,000.00 for upgrade training.
- 27. The amounts set out in the preceding paragraph are in fact significantly less than the actual costs incurred by Alliance to send a relevant pilot through the CASA required endorsement or upgrade training. The actual costs to Alliance include costs such as simulator costs, the costs of the trainer and the time for management to assist in the training process. The real and actual costs to Alliance for endorsement training of a relevant pilot would be about three times the bonded amount (i.e. \$90,000.00) and for upgrade training it would be at least double the bonded amount (i.e. \$30,000.00).
- 28. Currently Alliance has 56 pilots under bonding arrangements out of a total of 162 employed pilots. The total bonded quantum of all of the bonds is \$1,635,000.00 but with the reducing return for service obligation the remaining repayment obligation is \$740,136.00.

## Benefits of having training bonds

- 29. There are numerous benefits of having training bonds, both to Alliance and to its pilots. For example:
  - (a) As stated above, Alliance pilots are required to stay in service for a particular period under training bonds, otherwise they are required to pay Alliance a Compensation

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|---------------------|------------------------|---------------|--------------------|--|
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Sum. This is intended to prevent pilots from leaving after they start or complete their training, for a specified period. The average period of service for current Alliance pilots is 4.43 years which is substantially greater than the length of the minimum 24 and 12 month periods of service normally required of a relevant pilot from the date they start training or complete their training, under endorsement and upgrade training bonds, respectively. This shows that most pilots choose to remain employed with Alliance for a period greater than the minimum period required to be served under their training bonds.

- (b) Alliance pilots receive the benefit of not having to pay for training. If training bonds were not allowed then not only would a pilot have to pay for their own CASA training but they would not receive a wage for the eight to 10 week training period. Further, Alliance pilots receive their full wage for this period.
- (c) Alliance pilots have a sense of stability knowing that Alliance wants them to complete a return of service period and grow their career with the airline.
- (d) The costs associated with having to continuously train new pilots upon trained pilots leaving Alliance (which would have a significant effect on the viability of the business) is reduced given the return of service requirements contained in training bonds which as stated in (a) above.
- (e) Alliance pilots acquire necessary or requested qualifications which they may not otherwise be able to afford if they were required to pay for the costs associated with the training they require or want. This encourages the professional development of Alliance pilots.
- (f) We attract pilots seeking employment as they know that relevant training costs will be paid under a training bond.
- 30. As stated in my Initial Statement, if a pilot was permitted to leave their employment after Alliance had paid for the costs of their training and they had not returned service, this would result in significant financial and employment costs to Alliance and change the way Alliance and other airlines need to operate.
- 31. For example, Alliance would be forced to only look at employing type rate endorsed pilots, so it does not have to pay costs associated with training new pilots. This would have a significant negative impact on growth and development of the industry as pilots would not be able to change licences, pilots would have to get in debt early on in their career to fund their own licence and airlines are likely to look overseas for pilots who already have licences in their relevant aircraft.
- 32. Specifically, without bonds, Alliance would only be able to employ those pilots with an existing endorsement on its aircraft type which are few and far between as there are limited Fokker operators in Australia. Some other operators put pilots through the endorsement, make them pay for their training, and only employ them after successful completion of the training. Alliance does not want to have to do that.

#### **Additional matters**

33. The need for training bonds, particularly for CASA type rate endorsement training is very important. This training is required by CASA and is training undertaken because a pilot has come to Alliance without the relevant qualifications to fly Alliance's aircraft. In these

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circumstances, Alliance is prepared to pay a very significant sum for this new employee to undertake the CASA required training and for this employee to gain a completely new qualification so not only can they have gainful employment with Alliance but they can also have a further qualification on their own licence, but in return for this significant expenditure, Alliance requires the relevant pilot to give to Alliance a return for service.

- The return for service obligation is also necessary because once a relevant pilot has gained the CASA qualification that pilot is highly employable to other Australian carriers who fly the same aircraft as Alliance. These airlines include Network Aviation, Skippers Aviation, and Qantas.
- 35. Paying for the endorsement and upgrade training of pilots is an attractive recruitment incentive to the airline. There are many operators in the airline industry in Australia including large operators who have varying degrees of training payments including repayment schemes or upfront payment for endorsement training. As stated, Alliance in all circumstances intends to pay for the training of its pilots upfront but needs to obtain a return for service from their pilots for the training required by CASA.
- Based on my discussions with Alliance pilots in the past, if Alliance required pilots to pay for their own CASA required endorsement training, we would not have many applicants for the positions and many pilots financially would not be in a position to pay the upfront costs associated with this training.
- Based on my discussions with Alliance pilots in the past, I have never had a relevant pilot refuse to sign a training bond or in fact question the need for the requirement for a return for service. It has been quite the opposite, Pilots have advised me that they understand that the employer must get a return for service for the significant outlay they are making. I do believe that the fact that Alliance pays for this CASA required endorsement training is an attractive recruitment tool to the airline.
- 38. Alliance has never had any significant difficulties with pilots entering into and adhering to the terms of their training bonds. Alliance has never had a pilot who has commenced training with Alliance who has refused to enter into a bond. Alliance has never had any real problems with pilots complying with their bonds. There have been some rare instances of pilots trained under bonding arrangements leaving before the bond period has expired and refusing to pay the Compensation Sum. These disputes have been resolved by correspondence to the employee clarifying their obligations under the bond.
- Alliance has in fact had situations where it has had pilots leave Alliance and go to a competitor and that competitor airline has paid out their bond because it is standard and known in the industry that if you leave a company before you work out your return for service that the bond would need to be repaid

Jill Edith Hignett

Tracie Deegan
Date: 4th November 2019

Filed on behalf of Prepared by Name of law firm Address for service Email Telephone<sup>1</sup>

Alliance Airlines Pty Ltd

Jill Hignett, Director

HR Law

GPO Box 1572, BRISBANE, QLD 4001

j.hignett@hrlawyers.com.au

(07) 3211 3350 Attention



## **This Deed**

is made on 18th July 2019 between the following parties:

Alliance Airlines Pty Limited ACN 107 165 980

of "Alliance Hangar" Pandanus Avenue, Brisbane Airport, Queensland ("Alliance")

**AND** 

Name

of Address

("the Pilot")

#### **Recitals**

- A. The Pilot has been offered employment with Alliance Airlines under the terms and conditions contained in an Agreement signed by the pilot.
- B. The Pilot wants to undergo the Training and Alliance has agreed to provide the Training at significant expense to itself.
- C. In accordance with the terms of the Employment Agreement, the Pilot and Alliance have agreed to enter into this Deed to record the terms upon which Alliance will provide the Training to the Pilot.

#### The deed witnesses

that in consideration of, among other things, the mutual promises contained in this deed, the parties agree:

## 1 Definitions

For the purposes of this Deed, the following expressions will have the meanings given:

- 1.1 "Compensation Sum" means:
  - (a) After start date but before completion date, where the Pilot has not completed and ceases the simulator training phase of the Training for whatever reason other than in consequence of termination by him, that sum which Alliance determines, in its reasonable opinion, is referable to the pro rata proportion of the costs of Training effective to the date of cessation of the Training.
  - (b) If termination of employment is effected:
    - (1) At Completion Date, \$30,000;
    - (2) After the Completion Date but before the Release Date, an amount equal to \$30,000 reduced by \$1,250.00 for each completed month of service after the Completion Date.
- 1.2 "Completion Date" is the date the Pilot satisfactorily completes his or her time in the SIM.
- 1.3 "Release Date" is the date 24 months after the Completion Date.

- 1.4 "Return of Service" means that the Pilot will remain in employment with Alliance for the period specified in Clause 4 and shall be released from the employment requirement only in accordance with this Deed.
- 1.5 "Start Date" means the first day of employment with Alliance Airlines.
- 1.6 "Termination" in the context of termination of employment shall be taken to have been effected when notice of termination (whether or not required) is received.
- 1.7 "Training" means the flying training on the Fokker 100 aeroplane provided by Alliance, to the standard of First Officer or Captain as is relevant, resulting in appropriate endorsement of the Pilot's licence.

## 2 Training

- 2.1 Alliance will provide the Training to the Pilot at no cost to the Pilot except to the extent provided by this Deed.
- 2.2 The Pilot must undertake the Training in a conscientious and diligent manner and observe all directions of those persons placed by Alliance in charge of the Training and all directions of Alliance's Flight Operations Manager.

## 3 Training costs

- 3.1 The Pilot acknowledges that in providing the Training Alliance will be incurring costs including but not limited to:
  - (a) the salary or fees paid for instructors and other persons engaged in providing the Training;
  - (b) fees paid to the Civil Aviation Authority incidental to provision of the Training; and
  - (c) accommodation, meals and airfares.
- 3.2 Alliance has calculated that the cost of the provision of the Training on the Fokker 100, is not less than \$30,000.

## 4 Return of Service

- 4.1 In return for the Training received free of cost, in accordance with Clause 2, the Pilot covenants to remain in employment with Alliance for a minimum period of twenty-four months.
- 4.2 Except as otherwise provided for in this Deed the Pilot will be released from the Return of Service employment requirement, only where reimbursement of the Compensation Sum has been paid in accordance with this Deed.

## 5 Release from return of service

5.1 The Pilot covenants to pay to Alliance the Compensation Sum if, prior to the Release Date:

- (a) the Pilot terminates his or her employment with Alliance for any reason (apart from the suspension or cancellation of his or her Pilot's licence on medical grounds); or
- (b) Alliance terminates the Pilot's employment (whether or not summarily) for reason of the Pilot's misconduct.
- 5.2 Clause 5.1 shall have no effect:
  - (a) If Alliance ceases to operate the Fokker 100 aircraft;
  - (b) after the completion of any subsequent Training, if the Pilot and Alliance has entered into a Deed similar in purpose and effect to this Deed, for the subsequent Training.

## 6 Set off

6.1 Alliance shall be entitled to apply all monies payable by Alliance to the Pilot upon Termination of the Pilot's employment to payment of any amount owing under this Deed (except to the extent of any statutory prohibition).

## Executed as a deed:

| Signed for Alliance Airlines Pty Limited by its representative in the presence of: |                     |
|--|---------------------|
| Representative   | Witness             |
| Name (please print)  | Name (please print) |
| Signed sealed and delivered by The Pilot in the presence of:                       |                     |
| Pilot  | Witness             |
| Name (please print)  | Name (please print) |



## This Deed

is made on 1 November 2019 between the following parties:

Alliance Airlines Pty Limited ACN 107 165 980

of "Alliance Hangar" Pandanus Avenue, Brisbane Airport, Queensland ("Alliance")

**Full Name** 

of Full Address

("the Pilot")

#### Recitals

- A. The Pilot has been offered command training with Alliance Airlines under the terms and conditions contained in your Employment Contract signed by the pilot.
- B. The Pilot wants to undergo F100 Command Training and Alliance has agreed to provide the Training at significant expense to itself.
- C. In accordance with the terms of the Employment contract, the Pilot and Alliance have agreed to enter into this Deed to record the terms upon which Alliance will provide the Training to the Pilot.

#### The deed witnesses

that in consideration of, among other things, the mutual promises contained in this deed, the parties agree:

#### 1 Definitions

For the purposes of this Deed, the following expressions will have the meanings given:

- 1.1 "Compensation Sum" means:
  - (a) After start date, where the Pilot has not completed and ceases the simulator training phase of the Training for whatever reason other than in consequence of termination by him, that sum which Alliance determines, in its reasonable opinion, is referable to the pro rata proportion of the costs of Training effective to the date of cessation of the Training.
  - (b) If termination of employment is effected:
    - (1) At Start Date, \$15,000.00
    - (2) After the Start Date but before the Release Date, an amount equal to \$15,000.00 reduced by \$1250.00 for each completed month of service after the Completion Date.
- 1.2 "Release Date" is the date 12 months after the Start Date.
- 1.3 "Return of Service" means that the Pilot will remain in employment with Alliance for the period specified in Clause 4 and shall be released from the employment requirement only in accordance with this Deed.
- 1.4 "Start Date" means the first day of F100 command training

- 1.5 "Termination" in the context of termination of employment shall be taken to have been effected when notice of termination (whether or not required) is received.
- 1.6 "Training" means the flying training on the Fokker 100 aeroplane provided by Alliance, to the standard of Captain resulting in appropriate endorsement of the Pilot's licence.

## 2 Training

- 2.1 Alliance will provide the Training to the Pilot at no cost to the Pilot except to the extent provided by this Deed.
- 2.2 The Pilot must undertake the Training in a conscientious and diligent manner and observe all directions of those persons placed by Alliance in charge of the Training and all directions of Alliance's Flight Operations Manager.

## 3 Training costs

- 3.1 The Pilot acknowledges that in providing the Training Alliance will be incurring costs including but not limited to:
  - (a) the salary or fees paid for instructors and other persons engaged in providing the Training;
  - (b) fees paid to the Civil Aviation Authority incidental to provision of the Training; and
  - (c) accommodation, meals and airfares.
- 3.2 Alliance has calculated that the cost of the provision of the Training on the Fokker 100, is not less than \$15,000.00

## 4 Return of Service

- 4.1 In return for the Training received free of cost, in accordance with Clause 2, the Pilot covenants to remain in employment with Alliance for a minimum period of twelve (12) months.
- 4.2 Except as otherwise provided for in this Deed the Pilot will be released from the Return of Service employment requirement, only where reimbursement of the Compensation Sum has been paid in accordance with this Deed.

## 5 Release from return of service

- 5.1 The Pilot covenants to pay to Alliance the Compensation Sum if, prior to the Release Date:
  - (a) the Pilot terminates his or her employment with Alliance for any reason (apart from the suspension or cancellation of his or her Pilot's licence on medical grounds); or
  - (b) Alliance terminates the Pilot's employment (whether or not summarily) for reason of the Pilot's misconduct.
- 5.2 Clause 5.1 shall have no effect:

- (a) If Alliance ceases to operate the Fokker 100 aircraft;
- (b) after the completion of any subsequent Training, if the Pilot and Alliance has entered into a Deed similar in purpose and effect to this Deed, for the subsequent Training.

## 6 Set off

6.1 Alliance shall be entitled to apply all monies payable by Alliance to the Pilot upon Termination of the Pilot's employment to payment of any amount owing under this Deed (except to the extent of any statutory prohibition).

| Executed as a deed:  |                     |
|--|---------------------|
| Signed for Alliance Airlines Pty Limited by its representative in the presence of: |                     |
| Representative   | Witness             |
| Name (please print)  | Name (please print) |
| Signed sealed and delivered by The Pilot in the presence of:                       |                     |
| Pilot  | Witness             |
| Name (please print)  | Name (please print) |



Flight crew licensing Part 61
Pilot licensing—general limitations and authorisations Subpart 61.E
General limitations on exercise of pilot licence privileges Division 61.E.1

Regulation 61.375

# Subpart 61.E—Pilot licensing—general limitations and authorisations

Note:

Subpart 61.E does not apply to glider pilot licences: see the definition of *pilot licence* in regulation 61.010. Subpart 61.Z deals with glider pilot licences.

# Division 61.E.1—General limitations on exercise of pilot licence privileges

#### 61.375 Limitations on exercise of privileges of pilot licences—ratings

- (1) This regulation applies to the holder of a pilot licence.
- (2) The holder is authorised to exercise the privileges of the licence in an aircraft of a particular category only if the holder also holds, as the associated aircraft category rating for the licence, the aircraft category rating for that category of aircraft.

Note:

An aircraft category rating has effect only in conjunction with the licence for which it is granted. It does not authorise the exercise, in the aircraft category covered by the rating, of the privileges of any other licence held by the holder of the rating: see the definition of *associated* in regulation 61.010.

- (3) The holder is authorised to exercise the privileges of the licence in an aircraft, other than an aircraft mentioned in subregulation (5), only if the holder also holds an appropriate aircraft class rating for the aircraft.
- (4) For subregulation (3), either of the following is an appropriate aircraft class rating for an aeroplane in the single-engine aeroplane class:
  - (a) the single-engine aeroplane class rating;
  - (b) the multi-engine aeroplane class rating.
- (5) The holder is authorised to exercise the privileges of the licence in:
  - (a) a multi-crew aircraft; or
  - (b) an aircraft:
    - (i) that is certificated for single-pilot operation; and
    - (ii) for which a single-pilot type rating is required by a legislative instrument under regulation 61.060;

only if the holder also holds the appropriate pilot type rating for the aircraft type.

- (6) However, the holder is not required to hold the pilot type rating for the aircraft if:
  - (a) the person is acting as a cruise relief co-pilot for the aircraft; and
  - (b) the person holds a cruise relief co-pilot type rating for the aircraft type.
- (7) The holder is authorised to conduct an activity mentioned in column 1 of an item in table 61.375 in the exercise of the privileges of the licence only if the holder also holds the rating mentioned in column 2 of the item.
- (8) However:

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## Regulation 61.375

- (a) the holder of a multi-crew pilot licence with an aeroplane category rating is authorised, without holding an instrument rating, to pilot an aeroplane in a multi-crew operation:
  - (i) under the IFR; or
  - (ii) at night under the VFR; and
- (b) the holder of an air transport pilot licence with an aeroplane category rating is authorised, without holding an instrument rating, to pilot an aeroplane:
  - (i) under the IFR; or
  - (ii) at night under the VFR; and
- (c) the holder of an air transport pilot licence with a powered-lift category rating is authorised, without holding an instrument rating, to pilot a powered-lift aircraft:
  - (i) under the IFR; or
  - (ii) at night under the VFR.

| Table 61.375 Activities for which ratings are required |   |   |
|--|---|---|
| Item   | Column 1<br>Activity  | Column 2<br>Rating  |
| İ  | An operation under the IFR, other than an operation mentioned in item 2   | Instrument rating   |
| 2  | A private operation under the IFR   | Either: (a) instrument rating; or (b) private instrument rating |
| 3  | <ul> <li>An operation at night under the VFR, other than:</li> <li>(a) an operation using a night vision imaging system; or</li> <li>(b) a night aerial application operation below 500 ft AGL</li> </ul> | Either: (a) night VFR rating; or (b) instrument rating          |
| 4  | An operation at night under the VFR using a night vision imaging system   | Night vision imaging system rating                              |
| 5  | A low-level operation   | Either: (a) low-level rating; or (b) aerial application rating  |
| 6  | An aerial application operation below 500 ft AGL  | Aerial application rating                                       |
| 7  | An activity mentioned in paragraph 61.1165(a), (c), (d), (e) or (f) in an aircraft  An activity mentioned in paragraph 61.1165(g), (h) or (i)   | Flight instructor rating  |

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| Table 61.375 Activities for which ratings are required |  |  |  |  |
|--|--|--|--|--|
| Item   | Column 1<br>Activity   | Column 2<br>Rating                       |  |  |
| 8  | An activity mentioned in paragraph 61.1190(a), (c), (d), (e) or (f) in a flight simulation training device | Either: (a) flight instructor rating; or |  |  |
|  | An activity mentioned in paragraph 61.1165(b), (j) or (k) or 61.1190(b), (g) or (h)                        | (b) simulator instructor rating          |  |  |
| 9  | An activity mentioned in regulation 61.1255  | Flight examiner rating                   |  |  |

## 61.380 Limitations on exercise of privileges of pilot licences—flight activity and design feature endorsements

- (1) The holder of a pilot licence is authorised to conduct a flight activity mentioned in column 2 of an item in table 61.1145 only if the holder also holds the endorsement mentioned in column 1 of the item.
- (2) The holder of a pilot licence is authorised to exercise the privileges of the licence in an aircraft that has a design feature mentioned in regulation 61.755 for the aircraft only if the holder also holds the design feature endorsement for the design feature.

## 61.385 Limitations on exercise of privileges of pilot licences—general competency requirement

- (1) The holder of a pilot licence is authorised to exercise the privileges of the licence in an aircraft only if the holder is competent in operating the aircraft to the standards mentioned in the Part 61 Manual of Standards for the class or type to which the aircraft belongs, including in all of the following areas:
  - (a) operating the aircraft's navigation and operating systems;
  - (b) conducting all normal, abnormal and emergency flight procedures for the aircraft;
  - (c) applying operating limitations;
  - (d) weight and balance requirements;
  - (e) applying aircraft performance data, including take-off and landing performance data, for the aircraft.
- (1A) Subregulation (1B) applies if the holder of a pilot licence also holds an operational rating or endorsement.
- (1B) The holder is authorised to exercise the privileges of his or her pilot licence in an activity in an aircraft under the rating or endorsement only if the holder is competent in operating the aircraft in the activity to the standards mentioned in the Part 61 Manual of Standards (if any) for:
  - (a) the class or type to which the aircraft belongs; and
  - (b) the activity.

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