

5,800 job cuts at British Airways provokes strike threat

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British Airways announced 5,800 layoffs on February 12, bringing the total job losses since September last year to 13,000. The latest job cuts are part of a “significant restructuring” of the airline’s short-haul services which will see the workforce reduced to 43,700 by March 2004, almost 20,000 fewer than two years ago.

BA’s chief executive, Rod Eddington, said the company is losing £2 million a day and aims to make cost savings of £650 million within two years. The job cuts are the most severe of any of the world’s airlines, which have all sacked workers following the September 11 terrorist attacks in the US. The International Air Transport Association (IATA) has said that expected financial losses globally will exceed \$25 billion for last year.

While the fall in transatlantic flights in the aftermath of September 11 certainly didn’t help BA’s fortunes, it would be wrong to see the job losses as the direct result of those events. More generally, they result from BA’s inability to compete with rivals such as Ryanair, EasyJet and BA’s former subsidiary, Go. In what is widely viewed as a strategic error, BA sold off its economy flight subsidiary less than a year ago for £100 million.

Faced with huge losses on long-haul flights, BA is now seeking to restructure itself to go against the so-called “no-frills” airlines, selling low-costs seats directly on the Internet. UK-based flights have been steadily reduced over the past year and by 2003 will be down to 305, with 49 flights cut since summer 2001.

The 13,000 job losses include 3,400 cabin crew, 1,500 engineers, 400 pilots, 800 customer service staff at Heathrow and 550 at Gatwick, 2,600 worldwide sales staff, 800 cargo workers and 2,950 others, mainly head office and support staff. Heathrow will lose 6,600 jobs,

Gatwick 3,000 and 1,200 others will be shed from regional bases throughout the UK.

BA claim that of the 7,200 job cuts announced in the immediate aftermath of September 11, 6,000 workers have already accepted voluntary redundancy and the remainder of the staff should be gone within the next month. Unions at the company claim that only 5,000 workers had agreed terms and that BA does not have enough money to pay off the staff voluntarily. They dispute the claim that £200 million set aside by BA will cover the costs.

The strike threat came as union leaders were told that the job losses would be spread across all departments over the next two years. Ed Blisset, airports officer of the GMB general union, said there could be strike action if the company imposes compulsory redundancies.

A spokesman for the GMB said, “BA bosses have been waving the eleventh of September like a shroud. We are no longer prepared to sit back and let them exploit that appalling tragedy by sacking thousands of loyal workers. The second one of our members is made redundant we will ballot for industrial action.”

Such threats have a hollow ring to them when considered in the context of the various unions’ previous record on job losses. Under the guise of voluntary redundancies, they have worked with management to systematically cut the payroll and impose greater exploitation on those who remain.

Bill Morris, general secretary of the Transport and General Workers’ Union (TGWU), said, “We expected mild surgery but what we have got is butchery.” However, he said if there were no compulsory redundancies and no attack on working conditions of its members, the TGWU would work with BA to achieve a “managed reduction” over the next two years.

Morris's only real concern is that the "managed reduction" includes a continued role for the TGWU within British Airways.

Coming as it does amid ongoing strike action on the railways, a ballot underway at the postal service Consignia and threatened strike action on London Underground, it is entirely possible that the latest announcement will provoke industrial action among BA workers. Far from leading such actions, however, the unions will do all they can to suppress them.



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