

# Australia: Qantas pilots vote for industrial action to defend jobs

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Qantas airline pilots voted overwhelmingly on February 11 and 14 to authorise their union, the Australian and International Pilots Association (AIPA), to “take all necessary steps,” including industrial action, to include a job security clause in a new enterprise bargaining agreement (EBA).

The vote, which reflects deep concerns among the company’s 1,700 long-haul pilots over the threat to jobs in Qantas’s mainline operation, came after a breakdown of negotiations for a new EBA on February 9, when the company rejected the pilots’ job security and pay claims.

The clause sought by the AIPA in the EBA states that where Qantas’s low-cost subsidiaries take over routes currently flown by its mainline business, pilots must have the same pay and conditions as the mainline pilots.

While pilots are determined to defend their jobs, the AIPA executive is bending over backwards to make a deal, offering Qantas “substantial” productivity concessions. The AIPA executive has also limited the EBA pay claim to just 2.5 percent per annum, a pay cut in real terms, and below the 3 percent offered by Qantas to other employees.

AIPA national treasurer Adam Suez told the media: “Our priority is to get back to the negotiating table. We’ve never left the table—we’re willing to talk to management about the objectives, which are productivity and efficiency, in return for what matters most to our members—and that’s job security.”

Qantas has dismissed the AIPA’s offer out of hand and made clear that it intends to aggressively continue its drive to slash costs. Qantas chief executive Alan Joyce told media: “The only way to secure jobs for Qantas pilots is to make Qantas competitive and profitable.” He issued a staff memo stating the

company would not agree to any clause in work contracts “that would effectively regulate wages in other group companies”.

Simply put, Qantas will not tolerate any barriers to its plans to establish new routes for its low-cost subsidiaries, which employ pilots and cabin crew on inferior pay and conditions. These include Jetstar and the New Zealand-based Jetconnect, which were originally set up as low-price domestic carriers but now fly Asian and cross-Tasman routes.

Further decrying the pilots’ claim on Australian Broadcasting Corporation radio last week, Joyce declared that the airline “can’t sustain outrageous pay claims”. He warned that if mainline Qantas continued on its present path, there would be a “question mark” over the future of its international operations.

Joyce’s threats came on the same day the airline announced that its profits had risen to a net \$241 million, a fourfold rise in the six months to December 31, 2010, largely as the result of job destruction, downsizing and other cost-cutting measures over the past three years. The result still falls far short of the pre-tax profit of \$1.4 billion recorded in 2008, before the full impact of the global financial crisis.

Qantas’s intransigence is part of an ongoing offensive by airlines internationally in the wake of the global downturn and the increasingly cut-throat struggle to gain market share and bolster profits. Hit by a sharp decline in international travel following the financial crisis, particularly in business and first class, the airlines have unleashed an onslaught on jobs and working conditions.

US airlines destroyed 54,000 jobs, or 16 percent of their workforces, between 2008 and 2010, while thousands of jobs were eliminated and other cost-cutting measures implemented by British Airways, Aer

Lingus, Air France, Alitalia, Lufthansa, TAP Portugal and other European carriers.

Likewise, in 2008 Qantas imposed a 3 percent pay ceiling, slashed the conditions of licensed aircraft engineers and long-haul cabin crews, and moved to outsource baggage handling jobs. In April 2009, it announced the axing of 1,750 jobs, taking its total job losses for the previous 12 months to 3,340, or almost 10 percent of the airline's workforce.

In every case, the airline unions—whether in Europe, the US or Australia—attempted to block workers' demands, and when that proved impossible, confined strike action to isolated protests, ensuring that airline employees were divided sector by sector and from their fellow employees internationally. The destruction of tens of thousands of jobs would not have been possible without the active collaboration of the unions.

Now facing rising fuel costs and mounting competition from Asian and Middle Eastern carriers, Qantas is determined to inflict a defeat on its pilots and clear the path for even deeper attacks on jobs, wages and working conditions, including in its low-cost subsidiaries.

Qantas pilots should draw the lessons of past experiences, in particular last year's walkouts by British Airways (BA) cabin crews. BA moved to slash costs by £80 million (\$US130 million) through arbitrary reductions to long-haul cabin crews, a two-year pay freeze and the recruitment of new starters on lower pay rates.

BA crews struck twice for four days at a time, but the airline unions isolated them from their fellow airline employees, within BA and internationally, giving the company time to organise an international scab operation—chartering aircraft from low-price airlines to take over some of BA's operations (see: "Unions isolate struggle at British Airways").

It is imperative that Qantas pilots reject the latest concessions being offered by the AIPA leadership, and its entire agenda. The union has no intention of defending pilots' jobs but is preparing to broker yet another productivity deal with the airline. In 2008, AIPA accepted a 3-percent pay ceiling, combined with what it called "genuine productivity gains in terms of flexibility and simplicity".

Even if AIPA's current productivity offer is rejected by Qantas management, the union has made clear that

any industrial action will be constrained within the Labor government's industrial relations framework, under which the government or the Fair Work Australia tribunal can prohibit strike action in any "strategic" industry.

Labor governments have a long record of backing every major assault on airline workers. In 1989, the Hawke government deployed the air force to break a pilots' strike, and in 1993 the Keating government privatised Qantas. In 2008, Julia Gillard, then deputy prime minister, praised Qantas for using forced redundancies as a "last resort" in destroying 1,750 jobs.

Qantas pilots and their fellow airline workers can defend their jobs and conditions only if they organise independently of the unions. This will involve a direct political fight against the Gillard government, which is totally committed to imposing the requirements of big business and the financial markets. Such a struggle requires a turn to workers across the airline industry, in Australia and worldwide, and the adoption of an international socialist perspective for a unified rebellion against the bankrupt profit system itself.



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