

Qantas Australia to sack another 300 maintenance engineers

Margaret Rees
26 September 2013

Qantas last week announced it would conduct a review of its maintenance operations at Avalon airport, near Geelong in Victoria, as part of preparation to sack 253 contractors and 59 permanent engineers working there. The move marks another stage in the company's drive to boost profits and maintain international competitiveness by slashing labour costs.

Qantas domestic CEO Lyell Strambi issued a statement claiming the Avalon maintenance centre was becoming "sub-scale and inefficient". There is no maintenance scheduled at the site for five months of the year from next March. The company is discontinuing older 747 airliners and servicing newer models in Asia. This shift is aimed at exploiting more low wage Asian workers, developing Qantas's global restructuring that is based around the strategy of offshoring as much maintenance and other work as possible.

In Australia, the trade unions have played a critical role in suppressing opposition among Qantas workers and facilitating the company's attacks on jobs and conditions. Since 2008, the airline has eliminated more than 3,300 jobs, 10 per cent of its workforce.

Two years ago, Qantas CEO Alan Joyce grounded its entire global fleet and imposed a lock out of the workforce to suppress opposition to job destruction. This triggered an intervention by the then Labor government, using its Fair Work industrial court to ban all industrial action by workers and impose compulsory arbitration. The unions hailed the Labor government's intervention as a victory over Qantas management and promoted Fair Work as an "independent umpire." In reality, the incident allowed the airline to accelerate its restructuring agenda. In 2012, the company sacked 263 workers in Avalon, and closed its Tullamarine heavy maintenance base, destroying another 422 jobs.

The international airline industry has been in crisis

since the 2008-2009 global financial crash. Qantas is one of several transnational giants under enormous pressure.

Its strategy of relocating core operations to Asia—utilising its low-fare subsidiary Jetstar in an attempt to better compete with rival international partnerships—has not resolved the crisis confronting Qantas. Slower growth in Asia's "emerging economies" has seen a decline in forecasted airline earnings for the Asia Pacific. The projected increase in passenger demand in the region for 2013 will be outstripped by the increase in overall airline capacity, making the race for global competitiveness ever more acute.

The trade unions in Australia are now preparing to work with Qantas to enforce another round of mass layoffs with the shut down of the Avalon maintenance plant.

Australian Workers Union (AWU) Victorian secretary Ben Davis acknowledged that the announced review would be followed by sackings. "We know from experience that when Qantas does a review, jobs go," he said. The AWU's only response to this was to "call on federal, state and local governments to work with business, unions and community groups to address the crisis in heavy industry in Geelong."

Behind the scenes the union bureaucracy is pleading with Qantas management to discuss ways to maintain some operations at Avalon by boosting its profitability by slashing workers' wages and conditions.

One Avalon maintenance engineer who has worked for Qantas for more than ten years told the *World Socialist Web Site*: "Qantas is discussing with the unions, to get some options up, for example to use our annual leave up to fill in the quiet times. No employees put that option forward. It means we would use up all

our annual leave, then the place would close. The redundancy package is woeful. At best we would walk out with a pittance ... The crisis in industry is shocking—we're becoming an unemployment state.”

Avalon airport is situated 20 kilometres from Geelong, a provincial city and manufacturing centre. It has been hard hit by the ruthless restructuring of Australian industry orchestrated by the former Labor government, in collaboration with the unions.

A Ford plant there is scheduled to close by 2016, triggering hundreds of job losses there and in related automotive components factories. In April, Shell announced it is attempting to sell its ageing Geelong refinery, threatening another 450 jobs if a buyer cannot be found. Alcoa's Point Henry aluminium smelter is under review, with 500 jobs to be lost if the facility is shut down. In addition, retail company Target this year announced the closure of its headquarters in North Geelong, with the loss of over 260 jobs. Numerous small manufacturing businesses in the region have gone under in recent years.

Qantas workers at Avalon and around the country need to take a stand in defence of their jobs and conditions. To resist the ruthless drive against their jobs and conditions and counter the company's global strategy, workers must break with the trade unions, form rank and file committees in every plant and airport, turn out to other workers in the airline industry in Australia, Asia, and internationally, and link up with other sections of the working class facing similar attacks. A new industrial campaign has to be based on the development of a political struggle against the new Liberal-National coalition government, guided by an internationalist and socialist strategy that aims to establish a workers' government and bring the airline industry and other key sectors of the economy under public ownership and the democratic control of the working class.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact