

Australia: Unions meet with Qantas to plan job and wage cuts

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In response to the latest cuts announced by the Australian airline Qantas on December 5—1,000 jobs and \$2 billion in as-yet unspecified savings over the next three years—the trade unions covering Qantas workers will enter backroom talks with the company tomorrow. Far from defending jobs and conditions, the unions are rushing to offer their services in enforcing the company's measures, just as they have for many years.

The airline unions have made it plain they are ready to stifle any opposition by their members to the devastating job cuts, and offer concessions to meet Qantas's ongoing cost-cutting demands. According to media reports, the options to be explored include cuts to overtime, leave entitlements and wages.

In attendance tomorrow will be the Australian Council of Trade Unions (ACTU), Transport Workers Union (TWU), Australian Services Union, Australian Licensed Aircraft Engineers Association and Australian and International Pilots Association (AIPA). Behind the backs of their members, they are drawing up plans to deliver Qantas's requirements.

ACTU secretary Dave Oliver said unions wanted to meet with Qantas "to see what could be done to secure the future of this airline." In a media release, he emphasised that the "unions will be ensuring that every option is explored to reduce any job losses across the whole Qantas group." This is code for cooperating in eliminating jobs and conditions. Since 2009, these unions have already assisted Qantas to slash 8,500 jobs and make repeated inroads into working conditions.

Interviewed by the Bloomberg business media web site, TWU national secretary Tony Sheldon underscored the pro-business character of the unions. He argued that Qantas workers had a stake in keeping the company profitable and "revitalised." He appealed

to the company's wealthy shareholders to remove the CEO Alan Joyce and the board of directors. "Capital that is invested in this company needs to speak out and speak up for a board and executive team that gets it right," he stated.

Like most major companies today, Qantas's shareholding is dominated by banking and finance groups, which demand quick and easy profits. The largest stock owners are JP Morgan, HSBC, Citigroup and National Nominees. These and other representatives of finance capital are carving up and merging airlines globally, a process that has accelerated since the crash of 2008. Most recently, Air France-KLM cut 2,800 jobs in October, as part of the merged airline's Transform 2015 program, which has already axed over 5,000 jobs.

While the unions suppress any action to fight Qantas's latest offensive, they seek to politically paralyse their members by subordinating them to a debate between Qantas, the Abbott government and the Labor Party opposition over whether to lift restrictions on foreign ownership of Qantas. These limits were inserted into the Qantas Sale Act to help divert the popular opposition to the airline's privatisation by the Keating Labor government in 1993.

Prime Minister Tony Abbott has spelt out the government's readiness to back proposals by the Qantas management to relax the restrictions, which would accelerate the airline's decimation at the hands of global finance capital. Abbott told the *Australian Financial Review* this week that the company's request was not "unreasonable."

Regardless of whether the foreign ownership rules are scrapped, however, the relentless breakup of the airline under the impact of the global restructuring of the airline industry will continue. Joyce has foreshadowed

selling off parts of the business, including its frequent flyer program and parts of its Asian Jetstar low-cost airline offshoots.

Rumoured to be circling in the background are the sharks of major equity groups, which could take the opportunity to buy up and then sell off parts of Qantas's operations, aided by the collapse of Qantas's share price to a record historic low of 95 cents last week.

Some unions are reportedly holding discussions with potential private equity operators. AIPA, the pilots' union, has publicly endorsed the management's call for scrapping foreign investment restrictions.

In 2007, a buyout bid by a Macquarie Bank consortium, which would have led to a swift restructuring, only collapsed after a last-minute failure to raise the needed cash. The Qantas management then set about further slashing costs. In 2011, backed by the Gillard Labor government, the company grounded its entire fleet to demand sweeping sacrifices by its workers, which soon included the loss of 2,800 jobs.

To head off resistance to the lockout, the Labor government and the unions placed the dispute in the hands of the Labor government's Fair Work tribunal, which predictably ruled in Qantas's favour, outlawing any form of industrial action. The unions worked to enforce the outcome, striking a series of regressive deals with the company over the ensuing months.

Around the world, the trade unions have played similar roles, policing the destruction of jobs and conditions as airline mergers intensified from 2008. In the United States, Delta and Northwest merged in 2008; and United and Continental in 2010, creating the world's largest airline. In Europe, Lufthansa acquired smaller airlines: Swiss, Austrian and 45 percent of Brussels Airlines. In 2011, British Airways, Iberia and bmi formed International Airlines Group (IAG). In Latin America, LAN (Chile) and TAM (Brazil) merged in 2010–12.

The Australian unions are once again carrying out the same role as their international trade union counterparts in demanding that workers make "their" own national airlines competitive by cutting jobs, wages and conditions. This is a never-ending race to the bottom, with workers pitted against each other along national lines. Qantas workers can only defend their interests through a complete break with the unions and the

establishment of rank and file committees to turn to other sections of the working class in Australia and internationally to wage a unified struggle on the basis of a socialist perspective.



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