Australia: Tigerair pilots locked in dispute over wages and conditions

John Harris 8 February 2019

Tigerair pilots remain locked in a dispute with the low-cost carrier, over its demands that they accept a new enterprise agreement (EA) that would force them to continue working on rostered days off for wages well below the industry standards. The company's 200 pilots have taken limited industrial action over the past month, including a four-hour strike on January 25.

Tigerair, which is owned by Virgin Australia, has been in negotiations with the unions that cover the pilots, the Australian Federation of Air Pilots (AFAP) and the Virgin Australia Group Pilots (VIPA), since the previous agreement expired two years ago.

In May 2018, the AFAP announced that it had secured an "in-principle" agreement with Tigerair for a new EA.

The full details of the deal were not released. But the contents that were made public underscored the bogus character of the unions' claims to be fighting for improved wages and conditions for pilots.

The agreement would have provided for annual wage increases of just 2.5 percent, below the rate of inflation and would have maintained regressive rostering arrangements. The company has also refused to backdate any wage rises, meaning that any agreement would entrench a two-year pay freeze since the expiry of the last deal.

Some 61 percent of pilots voted down the agreement in September.

The company is pressing ahead with its attacks. Its latest draft agreement retains a widely opposed clause from the previous 2014 agreement that gives Tigerair the ability to force pilots to work on their scheduled days off. It includes clauses that would compel pilots to work undefined "reasonable additional hours" beyond their standard shifts, at the behest of management.

Under the agreement, Tigerair pilots would be paid five percent less than their counterparts at Jetstar, who also receive wages lower than most other airlines. The base annual salary for airline captains at Tigerair would be \$184,148 a year, compared with \$200,813 at Jetstar. The base annual salary for Tigerair first officer pilots would be \$101,281 over their first two years of employment.

In other words, the agreement is aimed at setting a new benchmark in the assault on the wages and conditions of pilots, a highly-skilled cohort of professionals with immense responsibilities.

This is part of a broader process. Nine Network, for instance, reported late last year that pilots "employed at Qantas, Virgin Australia, Jetstar or Tigerair say they can easily double their wages by moving to China."

Lower wages, arduous working conditions and limited investment in training, has led to a pilot shortage.

Some 1,700 commercial pilot licenses were issued across the country in 2008. By 2017, the figure had fallen to 1,200. Course costs are prohibitive. The average cost of a pilot's degree is roughly \$140,000. Government subsidised HECS and FEE-HELP student loans are capped at \$104,440.

Tigerair pilots have expressed mounting opposition to the conditions they confront. Around 90 percent voted in favour of a campaign of industrial action in December last year.

In the most recent industrial action, pilots struck for four hours between 5am and 9am on Friday, January 25.

This was followed by several days of work-bans over the Australia Day long weekend. These included pilots refusing to operate aircraft with minor, non-safety related defects or to work on scheduled days off. Some also carried out in-air go-slows by not exceeding certain speeds or taking route short-cuts.

The unions have since returned to closed-door negotiations with the company. Throughout the dispute, they have sought to prevent industrial action that would seriously disrupt company operations. The unions have also refused to mobilise broader layers of airline workers, at Tigerair, Virgin Australia and other aircraft companies.

For decades, the airline unions have collaborated with the major corporations and successive governments in the deregulation of the sector and an assault on jobs, wages and conditions.

In 1989, 1,700 pilots began strike action to demand a wage increase of 29.47 percent. They were demanding compensation for the growing inflation and the loss of wages following the Labor and the unions' introduction of the regressive the 1985 Prices and Incomes Accord.

The Hawke Labor government, with the full support of the Australian Council of Trade Unions, mobilised the Royal Australian Air Force as a scab workforce, enabling the major airlines to continue operations. The defeat of the strike was followed by the sacking of 1,300 pilots and the imposition of a 6 percent pay cap by the Industrial Relations Commission.

In the early 1990s, the federal Labor government privatised the previously state-owned domestic carrier Trans-Australian Airline (TAA). This cleared that way for the emergence of low-cost carriers, locked in a continual battle for market share through endless cost-cutting.

In 2011, the federal Labor government of Julia Gillard escalated the assault on airline workers, intervening in a protracted dispute at Qantas to illegalise strike action through the Fair Work Commission industrial tribunal. The unions backed the move and signed a sell-out agreement, paving the way for the sacking of around 3,000 airline workers at Qantas in 2011 and another 5,000 in 2014.

Industrial action at Tigerair follows strikes by Ryanair pilots across Europe last year, which were shut down by the trade unions. In each dispute, airline workers, including pilots, confront the thoroughly corporatised unions as the greatest obstacle to a struggle in defence of jobs, wages and conditions.



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