

# Australia: Qantas to axe hundreds of international cabin crew jobs and freeze wages

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Qantas, Australia's largest carrier, is moving to axe hundreds more jobs and freeze wages, exploiting the COVID-19 pandemic to deepen the decades-long assault on airline workers.

Qantas CEO Alan Joyce last week launched an "expression of interest program" to encourage international cabin crew to register for "voluntary redundancies." He expected the program to generate "several hundred applications."

Joyce also announced a two-year wage freeze across all operations, to be imposed via new trade union enterprise agreements that are coming up for renewal. The freeze would be followed by 2 percent annual increases—another real pay cut after years of wage suppression, including a two-year freeze inflicted in 2014.

Qantas, like its global and domestic competitors, has ruthlessly utilised the pandemic to bring forward previously-prepared restructuring plans, loading the cost of the crisis on the backs of workers. The company has already slashed 8,500 jobs since the pandemic erupted in March 2020, restricting air travel.

Joyce sought to justify further gutting the 29,000-strong workforce by declaring the company was heading for a loss of more than \$2 billion this financial year.

In reality, the restructuring measures implemented last year were designed to slash costs across the airline's operations by \$15 billion over three years and then \$1 billion annually after 2023. Qantas now expects to realise before interest, tax and depreciation earnings for the June half of around \$450 million, and to be cash flow positive by the first half of 2022.

This anticipated outcome is the result of Qantas's

aggressive drive to gain a competitive edge over its rivals in domestic travel, which has been its most profitable market since the Keating Labor government privatised it in the 1990s.

According to Qantas, it is now well on the way to reach 95 percent of its pre-COVID domestic capacity by mid-2021, while its low-cost carrier Jetstar is expected to hit 120 percent of its pre-COVID capacity. The Qantas Group has added 38 new routes since the start of the pandemic, many more than it did in the previous 10 years.

While it cries poor, Qantas's bottom line has been bolstered by massive tax-payer funded subsidies handed to it by the Liberal-National federal government, with the support of the Labor Party opposition, even as the company axed thousands of jobs and gutted workers' conditions.

Qantas has been the majority recipient of government support to airlines during the pandemic, raking in \$1.2 billion in direct payments, waived charges and underwritten flights during 2020.

This included \$726 million through the JobKeeper scheme, which was supposed to keep employees on the books by subsidising wages. The scheme allowed major companies like Qantas to slash their wages bills at public expense.

Qantas also received 59.5 percent by value of the subsidies dished out under the government's so-called aviation relief package. Now it is tagged to get the biggest share of the \$200 million new government international aviation support program and from an extension of the Domestic Aviation Network Support and Regional Airline Network Support programs.

Transport Workers Union's (TWU) Michael Kaine

