



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

**QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS**

Qantas

SPEECH

Tuesday, 1 November 2011

BY AUTHORITY OF THE SENATE

SPEECH

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Questioner
Speaker Urquhart, Sen Anne

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Senator URQUHART (Tasmania) (15:01): The Australian government is strongly committed to having a vibrant and resilient aviation industry in Australia, recognising the enormous contribution aviation makes to our economic strength as a nation. Yesterday Fair Work Australia granted the government's application to end all industrial action at Qantas. This is a win for the tens of thousands of passengers who were left stranded by Qantas's extraordinary action and for the one million people working in tourism across Australia.

Qantas employs more than 35,000 people, with 90 per cent of those jobs based in Australia. Further, 90 per cent of Qantas's heavy maintenance operations are also carried out in Australia. In the national aviation white paper the government acknowledged the critical need to develop and retain a highly skilled workforce to ensure Australia's aviation sector remains strong into the future. The government is also strongly committed to ensuring that Australian airlines are majority Australian owned and based in Australia. The government strongly supports these provisions being maintained to ensure that Qantas remains an iconic Australian brand.

Yesterday's decision confirms the Fair Work Act is robust and the independent umpire has a critical role to play in the industrial relations framework. As a result of the government's swift action, up until midnight yesterday there had been 137 domestic flights and 33 international flights. This was delivered as a result of Labor's successful Fair Work system, which restored the balance in industrial relations at Australia. Under the old Howard government, unions could take industrial action, bosses could lock workers out and governments could intervene—exactly what we have seen here. This section of the Fair Work Act is substantially similar in its terms to sections in earlier versions of workplace relations legislation. It enables the Fair Work industrial umpire to deal with a dispute that has implications for the national economy. Let's be clear: it was Qantas's extreme action that escalated this dispute. We acted decisively and immediately to terminate the industrial action on both sides. This has got workers back to work and planes back into the sky. No-one directly involved—not Qantas, not the unions—asked the government to intervene. All parties assured us they were still at the negotiating table as late as Friday.

I would like to point out that this inflammatory language around using section 431 does nothing to help get planes back into the air or the dispute resolved. The fact is that the government was notified only a short time before Qantas decided to shut up shop. Anyway, a termination under section 431 would ultimately have led to arbitration and there would have been a real risk of a challenge in the courts, which would have continued the uncertainty for Qantas, its employees and the travelling public. I repeat: the measures taken by the responsible ministers were appropriate and have seen Qantas planes back in the air within 48 hours.

I have seen reports today that legal experts said the Gillard government made the right call, as making a declaration under section 431 would have left open the risk of a challenge in the courts from the parties. This would have further delayed the resolution of this matter and continued the uncertainty for Qantas, its employees and the travelling public. It would have prolonged the inconvenience for the travelling public and continued the uncertainty for Qantas employees. What the government sought to do was to use the surest way to have the issue resolved by bringing the hearing before the independent umpire, to get all the evidence before an expert full bench who would determine the case. Getting all the parties into Fair Work Australia is the best way to get a resolution to this dispute and give certainty to the Australian public.

It is extraordinary that Qantas made the unilateral decision that they did. The fact is that at no stage did they, as Mr Joyce has confirmed, raise with any government minister their intention to lock out their workforce and therefore lock out their customers and ground the airline. This was an extraordinary decision. The government's concern was to make sure that we acted to get Qantas back in the air to make sure that Australians could travel for business, for family reasons or for holidays, whether it be domestically or overseas. The government's intervention ensured there was a timely response to that issue.