



**HD** Qantas **Sale** Act: Lower House passes bill to lift foreign ownership restrictions on airline

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Changes to lift major restrictions on Qantas have passed the Lower House of Federal Parliament along party lines but are set for certain defeat in the Senate.

The Government introduced the Qantas **Sale** Amendment Bill this morning to remove limits on foreign ownership and stipulations that much of the airline facilities and staff be based in Australia.

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Labor has opposed the measure, arguing it will **lead** to the national carrier splitting its domestic and international arms and shifting jobs offshore.

Opposition Leader Bill Shorten used Question Time to link the airline's safety record with its local workforce.

"Does the Prime Minister accept that the enviable safety record of Qantas is in no small part due to the professionalism, the hard work, the commitment and the expertise of its Australian-based maintenance crews?" he asked.

Tony Abbott responded by accepting the "fine" safety record of Qantas, but accusing Mr Shorten of implying that other airlines are not safe.

"The Leader of the Opposition is trying to suggest that without the restrictions that exist under the Qantas **Sale** Act an airline can't be safe," Mr Abbott said.

"This is a most irresponsible suggestion, a most reckless and irresponsible suggestion."

During the exchange, the Labor MP for Melbourne Ports Michael Danby was thrown out of the chamber for refusing to withdraw a statement he described as being about "the safety of **China** Southern [Airlines] as opposed to Qantas".

Earlier in Parliament Mr Shorten referenced the TV show The Simpsons in his attack on the Government over Qantas jobs.

"These people opposite are the cheese-eating surrender monkeys of Australian jobs," he said.

Transport Minister Warren Truss insists if the laws are changed the airline will still be based in Australia but will be allowed to "grow".

"The purpose of the bill is to remove the regulatory handcuffs that apply to Qantas but to no other Australian-based airline, including in relation to accessing foreign based capital," he told Parliament.

It could be some time before the legislation is debated in the Senate, where it faces defeat even when the Greens lose the balance of power and new micro-party senators take their seats in July.

The Palmer United Party, which will hold balance of power seats in the Senate from July 1, is against the change.

However, party leader Clive Palmer, who holds the Lower House seat of Fairfax, was not in Parliament for the Qantas vote.

Opposition Transport spokesman Anthony Albanese told Parliament that Labor would fight to keep Qantas majority-Australian owned, but was willing to change the laws that stipulate a single entity can own only 25 per cent of the airline and limit foreign airline ownership to 35 per cent.

The Opposition had also been pushing for the Government to grant Qantas a debt guarantee, but that idea has been rejected by the Coalition.

"Good government is not about playing favourites or being a banker for major companies when times are tough," Mr Truss told Parliament.

"It's about providing the environment to see them succeed free of unnecessary government impediments. That's what this bill is about."

The airline's **operations** and financial position are also set to be examined by a Senate inquiry which has just been set up by the Greens and the Labor Party.

Qantas office staff 'given two weeks' to consider redundancies

Meanwhile the union representing Qantas office workers says about 1,500 staff have been given just two weeks to consider a redundancy.

Qantas announced last week that it will cut 5,000 jobs in the next three years after posting a \$235 **million** half-year loss.

The Australian Services Union (ASU) has described the airline's attempt to shed the staff as rushed, unclear and chaotic.

Its NSW branch secretary Sally McManus expects the airline will start forcing redundancies if not enough staff take up the offer.

The ASU asked the Fair Work Commission on Thursday to order Qantas to give workers more time to consider their future.

"What is happening is certainly driving workers to a point where they'd be angry enough to consider taking industrial action," Ms McManus said.

"At the moment we've obviously got a whole lot of other options before we get to that, but in the end that is, I'm sure, something that the workers will discuss."

The Australian Council of Trade Unions earlier criticised the airline, saying workers are being kept in the dark about the job cuts.

Union secretary Dave Oliver says during two meetings with union officials, Qantas would not provide detailed information on the job cuts.

"They've been unable to tell us about what the timeline is, in what areas, what classifications," he said.

He says Qantas management also failed to clarify whether workers who accepted pay cuts or wage freezes would keep their jobs.

Mr Oliver says the airline's actions are disappointing and dangerous for workers' mental health.

"You've got workers coming to work knowing that they're going to be expected to take a wage freeze or a wage cut without any guarantees around job security in return," he said.

"We've got workers coming to work not knowing what the business plan is to secure the future of this airline."

**CO** qntas : Qantas Airways Ltd

**IN** iairtr : Air Transport | itsp : Transportation/Shipping | i75 : Airlines | i7501 : Scheduled Passenger Airlines

**NS** gpol : Domestic Politics | gvcng : Legislative Branch | c42 : Labor/Personnel Issues | ccat : Corporate/Industrial News | gcat : Political/General News | gpri : Politics/International Relations | gvbod : Government Bodies | ncat : Content Types | nfact : Factiva Filters | nfcpin : FC&E Industry News Filter

**RE** austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

**IPD** qntas

**PUB** Australian Broadcasting Corporation

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