

The fight for the sky

On 27 September 2011, 2,600 unionised Philippine Airline (PAL) workers were locked out by the company after they protested against plans to outsource their jobs. The workers were sacked and told to reapply for their jobs with an outsourcing company for half the pay. They would also lose the legal protection of their union, the Philippine Airlines Employees Association (PALEA). Since September 2011 they have maintained protest camps at the airports of the two major Filipino cities, Manila and Cebu.

PALEA's call is "The struggle of PALEA is the struggle of everyone". The union has also called for a global day of action against outsourcing and it has been endorsed by the International Transport Federation. It is important that aviation workers everywhere take part in the global day of action because these events in the Philippines are not isolated. They are part of a drive by capitalists around the world to cut their wage bills in a race to the bottom. Outsourcing and contractualisation are spreading in almost every industry. This is happening both within each country and between countries.



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Birth of the airline industry

Workers everywhere are facing the same struggle. PALEA's slogan is true, because they are taking a stand against the outsourcing and contractualisation that is hurting workers around the world, in aviation and in other industries. If the workers of PALEA win, we win. If they lose, we lose.



In most countries, commercial airlines began as state owned enterprises, or were quickly nationalised after private ventures failed. Qantas is a classic example. It was founded in 1920, almost as a back yard operation, grew to dominate the airline industry in Australia and was taken over by the Federal Government in 1947 after many years of subsidy. Aviation, although unprofitable in its own right, was seen as strategic for an advanced capitalist country. With the spread of independence in the 1950s and 60s to former Third World colonies of European countries, having a national airline was also a badge of nationhood and a means of connecting with the global capitalist economy.

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This all changed in the 1970s, when the post war economic boom came to an end and capitalism had its first major crisis in decades. Economic stagnation created problems for government revenues and budget deficits increased greatly. In response, governments started looking at cost cutting with greater vigour. Influenced by the new neoliberal ideology, governments began considering state owned airlines to be expensive luxuries.

Around the world, the response to unprofitable airlines in the 1980s was privatisation and deregulation. New cut-price airlines emerged, with lower wages and lower fares. Passenger numbers rose rapidly, requiring massive investment in new aeroplanes, so the airlines remained financially shaky. In the last ten years, a new wave of even lower cost airlines has entered the industry, this time in developing Asia as well as in traditional industrialised countries. The number of travellers has boomed again, but profits are still elusive. Older, established airlines, under pressure from low wage competitors, are responding to the situation by using outsourcing to cut their costs.

The aviation industry is not alone when it comes to outsourcing and driving down wages and conditions. Since the end of the post-war boom in the 1970s, just about every industry has undergone restructuring and the past few years alone have seen widespread industrial unrest over attacks on wages and conditions. The capitalists' efforts at restructuring have been intensified by the global economic crisis which started in 2007. Although industrial unrest is not isolated to the aviation industry, two factors make this industry vital for the workers' movement: it is strategic and it is international.

The airline industry is strategic because the fast and efficient flow of people and goods is vital for the functioning of capitalism today. The International Air Cargo Association estimated in 2006 that air transportation is responsible for almost 30% of the value of international trade, a figure that has probably increased since then.

The fast transportation of people and goods across the world reduces the amount of capital a business needs to tie up in stocks and materials.

Conversely, slowing down the transport system can slow down the whole world economy. Workers in the aviation industry therefore have enormous social power at their fingertips. If they unite internationally and use this power to place direct demands on the capitalists, they will be very difficult to defeat.

Neoliberalism is a reaction to the crisis of capitalism over the last four decades. It is a set of ideas and an economic strategy that has been used by the capitalists to increase the exploitation of workers and cut back on social services. One of the key ways in which the capitalists have tried to restore their profits in the face of economic stagnation is through the use of outsourcing. This has been used to drive down wages and conditions, increase the intensity of work, hinder collective bargaining and screen out pro-union workers.

Qantas vs Qantas workers: a case study

In the aviation industry we have seen vicious attacks on working conditions by Australian flagship carrier Qantas. During EBA negotiations in 2011, Qantas proposed to slash at least 1,000 jobs and drive down labour costs through outsourcing. In response, workers took protected industrial action for a 5% pay increase and job security against outsourcing. The three unions involved were the Transport Workers Union (covering baggage handlers), the Australian & International Pilots Association, and the Australian Licensed Aircraft Engineers Association.

On 29 October, Qantas CEO Alan Joyce grounded the entire airline and locked out the workforce. Across the globe, thousands of passengers were left stranded and others greatly inconvenienced as Qantas flights were cancelled without notice (and in one case, even being recalled after take-off). It was one of the worst acts of economic sabotage ever performed by an employer in Australia. The CEO didn't lock out its cut-price Jetstar subsidiary, since it has a separate Enterprise Bargaining Agreement and was deliberately set up on the basis of lower wages and conditions than its parent.



Qantas claimed that it cannot grant the workers' demands because it must cut costs in order to remain "competitive". However, Qantas is a very profitable company. In 2011 Qantas made a profit of \$250 million and, although it reported a statutory loss for 2012 (its first since privatisation in 1993), most of it was the product of management's lockout and the company still reported a substantial underlying profit. Senior executives and shareholders have also been enjoying huge bonuses and dividends. Just one day before the grounding, CEO Alan Joyce received a 71% pay increase to bring his yearly salary up from \$2.9 million to \$5 million. When a CEO can get a \$2.1 million pay increase, yet workers are denied a pay increase of just \$1 an hour under the pretext that the company needs to "cut costs" in order to be more competitive, it is obvious that double standards are operating.



The massive profits made by Qantas, and distributed to its senior executives and shareholders, come from the exploitation of the labour of its workers. Without the pilots, the cabin crew, the engineers, the baggage handlers, the cleaners and the customer service and clerical staff, there would be no airline. Planes don't fly themselves, and Alan Joyce doesn't fly them either. The actions of Qantas show the true nature of capitalism: when companies are not performing, workers have to bear the brunt in the form of redundancies and speed-up, but when companies are doing well, workers have to fight tooth and nail for a tiny part of the profit.

Qantas argued that it had no choice but to ground the airline because industrial action was "crippling" the company. During the EBA campaign, however, only six hours of work had been lost through short work stoppages by the baggage handlers. The engineers, who had banned overtime, suspended all industrial action for three weeks before the lockout and the pilots' way of "crippling" Qantas was to wear red ties to work in protest against outsourcing.



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Management's decision to stall all negotiations and lock out its workers is evidence of Qantas' determination to slash labour costs through outsourcing and union-busting. And it is not alone. Capitalists around the globe, with airlines prominent amongst them, are doing the same.

Outsourcing is a powerful weapon of the capitalists because it breaks the formal link between the company and its workers, thus enabling it to evade its responsibilities in its employment agreement and also because it is a way of recruiting a new, ununionised workforce. When outsourcing is done internationally, finding an ununionised workforce is even easier. Geographic distance and language issues also put barriers in the way of building solidarity between workers

Aviation workers in struggle around the world

September
2012
Cebu,
Davao,
Honolulu,
Istanbul,
Manila,
Melbourne,
Mumbai,
Sydney,
Vancouver
and other
cities take
action



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Britain

In August 2005, Gate Gourmet sacked 670 staff, mostly South Asian women at Heathrow Airport. In response, ground crew employed by British Airways struck, grounding flights for 24 hours.

At Stansted Airport, baggage handlers struck in May this year over rosters.



Egypt

Airline workers in Egypt have staged various actions against poor working conditions. In June 2011 air traffic controllers at Cairo airport staged a strike over pay disparities. In October, four months later, they staged a brief but very effective go-slow after a promised pay rise was cancelled. In September 2012 EgyptAir hostesses and stewards went on strike to fight for better working conditions, resulting in the airline suspending all international flights and angering passengers.

Germany



Workers at Lufthansa have struck many times in recent years over restructuring and wages. Short strikes, some large and some small, in various arms of the airline have been made in March 2008, May 2008, June 2008, July 2008, August 2008, January 2009, February 2010, October 2011, February 2012, March 2012, and Cabin Crew have taken strike action as recently as August-September 2012.

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Japan

Pilots at Japan Air Lines struck in June 2008 over pay. Its rival All Nippon Airlines only evaded a strike by means of last minute negotiations.

In July 2010, JAL illegally sacked 70 flight attendants from its Taiwan branch. The sacked workers held demonstrations. JAL was fined for the offence, but wasn't ordered to reinstate them. The sackings were part of a program of 3,000 that was in preparation for JAL emerging from bankruptcy.

Turkey

In May this year, the Turkish Parliament passed a law banning strikes in certain vital industries, including aviation. It was approved by the President in early June. As a protest at the legislation, the Turkish Civil Aviation Union Hava-is called a go-slow and Turkish Airlines, the national aviation company, sacked 345 workers in retaliation.

United States

Northwest Airlines locked out its pilots in 1998 over a pay dispute which was about recovering concessions made in 1993. The pilots settled, a month later, on a substantially better offer than what Northwest had on the table at first.

In 2005, 4,750 mechanics and cleaners struck against a contract offer which proposed massive slashing of jobs via outsourcing, and cuts to wages, pensions and benefits. It went on for around a year and was defeated, with disunity between unions being partly responsible.



PALEA on the front line, but the battle is global

Outsourcing has been central to many of the strikes above, either as an issue in dispute or as a management strategy in undermining a union's position before, during or after a dispute. The ability of capitalists to evade the responsibilities in employment agreements is something that has to be defeated if workers are to win. The struggle of PALEA is, therefore, the struggle of workers everywhere. They are on the front line of a struggle in which all workers have a stake.

The capitalists organise internationally – they have to, in order to run an airline. To beat them, workers have to organise internationally too. It is time for workers in the aviation industry around the world to act together against outsourcing. It is time to demand that workers in outsourced jobs, and contractual or labour hire workers, have the same wages and conditions, including any casual loading, and have the same union representation, as directly employed workers have. It is time to win.



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Workers remain solid and defiant' on the picket line for 100 days

a message from Hava-Is



Turkish Airlines and Turkish Technic workers who are all members of the Turkish Civil Aviation Union (Hava-Is) have been on the picket line at Istanbul's Ataturk International Airport, main hub for Turkish Airlines, for 100 days now.

Turkish Airlines and Turkish Technic have fired 305 workers via text message, email and phone call who took part in a legal protest, a "sick leave" action in protest over the oppressive amendment.

Although they are out on the street for 100 days, the workers remain solid and defiant.

Since the end of May, these workers have been fighting against an attack engineered by their employer who is attempting a cut in wages and working conditions by introducing a full-fledged strike ban in civil aviation industry.

After the ban, the High Court of Arbitration, an anti-democratic institution controlled by the representatives of employers and the government, shapes the collective bargaining agreements in civil aviation industry.

Hava-Is may also face a law suit for carrying out an illegal strike.

It is in the vital interests of all aviation workers around the world to stand in internationalist solidarity with these courageous workers in their battle. A victory for Turkish civil aviation workers would be a victory for all aviation workers.

In early days of July, the International Transport Workers' Federation (ITF) has officially launched a campaign backing the Turkish Civil Aviation Union's (Hava-Is)struggle to reverse the ban on the right to strike and to reinstate 305 dismissed workers.

So far, the campaign has successfully prompted unions from across the world to support members of Hava-Is.

As ITF general secretary David Cockroft commented recently neither ITF family nor Turkish Airlines and Turkish Technic workers have the intention to give up the fight: "The 305 won't go away and nor will we. The management of Turkish Airlines stands accused of a vindictive attack on its own workforce. Unpunished by a government that is its major shareholder, it thinks it has got away with it – but it hasn't."

However, we need more support to pile on more pressure on Turkish Airlines management and the Turkish government to reinstate the 305 dismissed aviation workers and end the strike ban in the industry.



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The workers understand that this strike is very important in Turkey and internationally. They recognise that they have become a model for other struggles, and they do not want to cave in, despite the extreme hardship of such a long battle.

Hava-Is president Atilay Ayçin said: “As the leader of this union I spent all of my time at the picket line with our members. As a union leader for me this is a debt of honor. I was put into jail for defending workers in the past. I have been tortured for the same sin. I have been threatened for numerous times and subjected to physical attacks as well. I have been receiving threats for the last few weeks. Nevertheless, they neither be able to intimidate me, the Hava-Is leadership nor our members.

“For us this is a question of all or nothing. They won’t be able to transform us into a non-functioning union just collecting dues and bringing no improvement into the lives of its members. We will either win or be smashed.”

See www.reinstate305.org for all campaign actions and news.

View a short video entitled ‘Brutally Yours’ (http://www.youtube.com/watch?v=aY7gNy0_LXg) and share the link with your contacts.

If you have any suggestions contact the ITF civil aviation section (CivilAviation@itf.org.uk) and Kemal Ülker (kemalulker@havais.org.tr) from Hava-Is.



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PALEA's fight is everyone's fight

In April this year Alnem Pretencio, the Vice President of the Philippine Airlines Employees Association, visited Australia on a solidarity visit at the invitation of Australia Asia Worker Links.

This was Alnem's second visit to Australia since the epic lockout at Philippine Airlines began in September 2011. On this occasion he was joined by Wilson Fortaleza of the Partido ng Manggagawa, the Labor Party of the Philippines, who has been very active in support of the locked out PALEA members.

In a packed itinerary, Wilson and Alnem addressed the hundreds of workers and activists about the struggle unfolding at Philippine Airlines, and the common threat of outsourcing facing workers in Australia, the Philippines, and around the world. A highlight of the visit was Alnem's address to a mass meeting of workers at the Qantas heavy maintenance facility in Melbourne, where union members are facing serious issues of outsourcing.

Both our visitors met with National Union of Workers' Secretary Tim Kennedy, as well as attending a rally in support of refugee rights, and the Victorian Trades Hall Council Labour Day Dinner Dance as guests of Trades Hall. Wilson and Alnem addressed hundreds of participants at the Marxism 2012 conference in Melbourne over Easter, speaking at a plenary as well as three workshop sessions.

Much of Alnem and Wilson's trip was spent in Sydney, the hub of commercial aviation in Australia. The Australian Services Union toured Alnem and Wilson around the customer service areas of Sydney Airport, meeting with delegates and rank and file workers. The Australian Licensed Engineers Association continued its longstanding solidarity with PALEA, including a meeting between Wilson, Alnem, and ALAEA national executive members.

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As an affiliate of the International Transport Workers' Federation, PALEA received great assistance during the visit from the Sydney office of the ITF. Organiser Shannon O'Keeffe facilitated a meeting involving ITF affiliates including the ASU, the ALAEA, Transport Workers Union, Australian Workers' Union and the Maritime Union of Australia. This meeting resulted in momentum in the ITF towards an international day of action in solidarity with PALEA.



Continuing the MUA's outstanding record of international solidarity, organiser Joe Deakin took our Filipino comrades to the Patricks terminal at Port Botany where Alnem received a warm response, addressing workers on the ongoing struggle of PALEA. ASU Secretary Sally McManus also organised for Alnem to address the regular meeting of the NSW Labor Council. In meeting after meeting, workers, activists, and union officials remarked on the striking similarities between the struggle of PALEA members and the battles against outsourcing facing workers

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in Australia. As a source of education, inspiration, and strength, the visit was a valuable experience for everyone involved.

One of the main slogans of the workers at Philippine Airlines is “Ang laban ng PALEA ay laban ng lahat”: “PALEA’s fight is everyone’s fight”. In forum after forum, and meeting workers directly affected by outsourcing, it was obvious to everyone who met and talked with our visitors, that the fight in Australia, and the fight in the Philippines, is indeed the same fight.

A year in the picketline: Advancing the fight in the face of hardship

More than 11 months at the picketlines has tested the resolve of the Philippine Airlines Employees’ Association (PALEA) and more than a thousand of its members who have refused to accept contractualisation. Still PALEA members look at the future with optimism, confident that the struggle for regular jobs will ultimately triumph.

Alnem Pretencio, PALEA vice president, has spent 20 of his 42 years at Philippine Airlines (PAL). At the time of his retrenchment he was a supervisor at the passenger handling department. Alnem has an 18-year old son who is studying college. At the cost of heavy debts, he has been able to continue his child’s education.

Not as lucky is Manny Gan, PALEA administrative officer and a father to five children, whose college-bound son was forced to stop studying. At 47 years, he has spent half of his life at PAL intending to provide for his family. That simple ambition is what motivates him in the fight for job security.



Still such sacrifices pale in comparison to the suffering of the families of four PALEA members who have died since the September 27, 2011 protest. Among them was Antonio Enero, hailed as a martyr, who died after he was forced to check out of the hospital since his medical benefits were terminated together with his employment.

In the face of extreme hardship, PALEA members have discovered the meaning of solidarity and community. Sharing meals and stories under the plastic tents of the protest camp, PALEA members and allies from the flight attendants union, labor, community and church groups have formed a lasting of bond friendship forged in struggle. Round the clock for almost a year, the picketline has been maintained by hundreds of unionists and supporters.



Sarah Bonnin-Ocampo, customer service agent for international flights before the outsourcing, comes religiously to the picketline in the early evening, stays for the graveyard shift, makes the rounds of the tents comprising the camp and then goes home in the morning to take care of her young son. She has taken the task of being a counselor to her fellow PALEAns, and a friend to all with heart warming advice.

The stories of Alnem, Manny and Sarah are just a glimpse of the epic struggle put up by PALEA. It is a story that is yet unfinished but all three of them would assert will end in victory.

