

Thousands more jobs destroyed in Australia

By Terry Cook
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With major corporate players like Qantas in the lead, employers across Australia are using the COVID-19 pandemic to restructure their operations, including by shedding thousands of jobs and cutting wages and conditions.

An estimated 69,000 people returned to work in May as the result of the reckless drive by the federal and state governments to lift public health restrictions vital to preventing the spread of the virus.

Even so, unemployment remains at levels not seen since the 1930s Great Depression. According to a May jobs survey by market research agency Roy Morgan, 1.37 million people were unemployed, 10.3 percent of the workforce, and an additional 1.22 million, or 9.2 percent, were under-employed.

In one of the most ruthless examples of corporate restructuring, Australia's largest airline, Qantas, announced at the end of last month that it will shed 6,000 jobs. It maintained the stand-down of 15,000 other workers that it imposed in March, even after pocketing its share of a \$715 million government handout to the aviation industry.

Making clear the company's intent to offload the crisis onto workers, Qantas CEO Alan Joyce told the media his plan was to "right-size our workforce, our fleet, our capital spending for a world that has less flying for an extended period." This was aimed at "delivering ongoing savings," of \$15 billion over three years and then \$1 billion annually after 2023.

Qantas's low-cost carrier Jetstar has cut 370 jobs, including 200 at the regional Newcastle airport and closed its maintenance base there. An unspecified number of jobs will be axed from Virgin Australia, Qantas' main competitor. If it succeeds in taking over the airline, the private equity firm Bain Capital plans to ditch Virgin's full-service operation and abandon numbers of routes. Virgin's low-cost carrier Tigerair will be terminated, ending the jobs of 220 pilots and

180 cabin crew.

Australian Bureau of Statistics (ABS) data has revealed the biggest-ever recorded collapse of job vacancies. They fell by 43 percent in the three months to May, surpassing the previous 27 percent record drop in the three months to November 1990. According to job search agency Indeed.com, there were around 12 people looking for work for every job vacancy. Given the ongoing mass sackings, this ratio is set to worsen.

Over the three months to May, 68,300 jobs were shed across the manufacturing sector, taking the number down to 852,800, the lowest level since 1984. Deloitte Access Economics estimates that up to 60 percent of jobs have been lost in the accommodation, food, arts and recreation industries, and forecasts the sectors will not recover before the end of 2025. It also predicts that one in five specialty retail stores could be closed by 2024.

Job cuts are deepening across most sectors.

In March, the **Star Entertainment Group** stood down 8,100 workers after closing its food, beverage, conferencing and gaming facilities.

Travel agent **Flight Centre** confirmed it will cut 1,500 jobs and close 428 of its 944 stores by the end of July as part of a move to cut its base monthly costs to \$65 million. Up to 70 percent of the company's 10,000 Australian staff members already have been stood down or made redundant since the outbreak of COVID-19.

Rival agency **Helloworld** announced in March it will make 275 staff redundant and temporarily stand down 1,300 more workers, even after confirming it has "significant" cash reserves. Insurer **Allianz Partners Australia** will withdraw from the offline travel insurance market, shedding 45 jobs.

Deloitte Australia, one of the country's big four professional services firms, is sacking 700 professional staff from its 10,000-strong Australian workforce.

While reporting a 10 percent growth in revenue for the financial year, the company announced in April an 8 percent reduction in annualised pay for the majority of its staff.

Other cuts across this sector include **KPMG Australia**, which shed 200 staff in April and then implemented a 20 percent pay cut over four months, beginning in May. **PwC Australia** revealed in late June that it will cut 400 staff from its 8,000-strong workforce, mainly from the consultancy and financial advisory division.

The **Australian Broadcasting Corporation**, the public broadcaster, is axing 250 jobs due to a \$41 million budget shortfall resulting from federal government budget cuts. **News Corp** is cutting 100 jobs across its metropolitan newspapers including at the *Daily Telegraph*, the *Herald Sun* and its national flagship, the *Australian*.

The **Seven Network** cancelled its current affairs program *Sunday Night*, ending an 11-year run and culling around 38 reporters, producers and editors. Foxtel will eliminate 70 positions across its marketing and creative divisions, in a second round of job cuts this year.

In the energy and mining sector, **Woodside Energy** announced 500 job cuts at its gas plant operations at Karratha in Western Australia (WA) amid falling gas prices, while **Chevron** is preparing to shed 600 jobs at its WA gas projects.

Around 400 jobs will be axed by mining giant **BHP Billiton** as part of the 3,400 to be cut, mainly in its coal and nickel operations. The company announced in January that it was eliminating 6,000 jobs as part of a global downsizing. **CBG Resources'** will cut 70 jobs at the Rasp Mine in Broken Hill and **Origin Energy** will sack around 140 workers at its Adelaide call centre.

Thousands of workers have been stood down and jobs permanently cut across the retail sector, which had already seen scores of store closures and redundancies prior to the pandemic.

Last month, **Woolworths** announced it will automate operations at warehouses in Sydney and Melbourne, eliminating 1,500 jobs by 2025. Also in June, **Wes farmers** flagged the closure of some 167 of its Target stores, cutting up to 1,300 positions over the next 12 months. Department chain **Myer** will shed 90 head office jobs.

Uber will slash 100 jobs from its Australian operations as part of the shedding of 3,700 positions globally. In May **Luv-a-Duck** cut 61 jobs at its Nhill processing plant in northwest Victoria.

Hundreds of jobs are being destroyed at universities, including 145 at **Charles Sturt**. The **University of Wollongong** has stated it will axe between 150 and 300 staff, while **Central Queensland University** announced it would cut 99 jobs, on top of 197 voluntary redundancies.

The National Gallery of Australia will sack 30 to 40 workers, accounting for 12 percent of its staff, as part of an "operational restructure" due to a reported \$3.6 million funding shortfall. Up to 40 jobs will be axed from the **Commonwealth Scientific and Industrial Research Organisation** (CSIRO) energy team, including key scientists, engineers and researchers.

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