

Qantas loses court fight over COVID lockdown layoffs

September 13 2023



Australia's High Court has ruled that Qantas illegally sacked 1,700 ground staff during the Covid pandemic.

Qantas illegally sacked 1,700 ground staff during COVID-19 lockdowns, Australia's High Court ruled Wednesday, dismissing an appeal by the

airline and opening up the prospect of hefty compensation.

The 102-year-old airline is already under fire over soaring [ticket prices](#), allegations it sold tickets for canceled flights, and claims that it pressured the government to stop international rival Qatar Airways from offering more flights to Australia.

Australia's Federal Court ruled last year that Qantas's outsourcing of ground staff jobs at the height of the pandemic was illegal despite its stated "commercial imperatives".

The [court](#) said Qantas had failed to disprove that one reason for the mass sacking was to prevent the workers from taking industrial action in the future.

The High Court said it agreed with that ruling, unanimously dismissing Qantas's appeal.

The Transport Workers Union (TWU), which took Qantas to court over the layoffs, hailed the decision and called for the airline's board to be replaced.

Former chief executive Alan Joyce stepped down last week after 15 years in the post, departing earlier than he had planned as Qantas's reputation took a battering despite bumper profits for shareholders.

"Qantas workers have made history today," said TWU national secretary Michael Kaine.

"The Joyce regime has been toppled but the airline cannot achieve the reset necessary for its survival under the same board that presided over the largest case of illegal sackings in Australian corporate history," he said.

"The final act of this board should be to strip Alan Joyce of his bonuses and follow him out the door."

'Regret the personal impact'

He called on Qantas's new chief executive Vanessa Hudson to publicly apologize to the sacked workers and commit to a "speedy and non-adversarial" approach to court hearings on compensation and penalties.

Qantas said it "acknowledges and accepts" the High Court ruling.

"As we have said from the beginning, we deeply regret the personal impact the outsourcing decision had on all those affected and we sincerely apologize for that," it said in a statement.

The airline said the Federal Court had already ruled out reinstating the sacked workers.

Qantas said the court's consideration of compensation for workers and penalties would "factor in" redundancy payments it had already made.

"The decision to outsource the remainder of the airline's ground handling function was made in August 2020, when borders were closed, lockdowns were in place and no COVID vaccine existed," it said.

"The likelihood of a years' long crisis led Qantas to restructure its business to improve its ability to survive and ultimately recover."

© 2023 AFP

Citation: Qantas loses court fight over COVID lockdown layoffs (2023, September 13) retrieved 27 April 2024 from <https://techxplore.com/news/2023-09-qantas-court-covid-lockdown-layoffs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.