

Qantas to axe 2,500 more jobs

25 August 2020



Like other airlines around the world, Qantas has been battered by restrictions introduced to contain the coronavirus

Australian flag carrier Qantas announced plans Tuesday to cut almost 2,500 more jobs, just days after posting a huge annual loss as it reels from a collapse in demand caused by the coronavirus.

Qantas and its budget offshoot, Jetstar, said they would outsource their ground handling operations at all domestic airports, pending a final review of the roles.

It comes on top of 6,000 redundancies already announced as the company undertakes a US\$10-billion cost-cutting blitz in response to "the most challenging period" in its 99-year history.

Qantas Domestic CEO Andrew David said the proposal would save an estimated US\$72 million a year.

"Right now, our domestic capacity is at 20 percent of pre-COVID levels and international travel is expected to take years to recover," he said.

"We know [travel restrictions](#) will lift eventually, but the market will be very different."

More than 200 Qantas planes have been grounded, David said, after the firm's revenues collapsed 82 percent between April and June.

Qantas's main competitor, Virgin Australia, went into voluntary administration in April shortly after Australia closed its international borders and domestic travel plunged.

Virgin has closed its budget subsidiary Tigerair Australia and axed 3,000 staff as it prepares to relaunch under the new ownership of US [private equity](#) giant Bain Capital.

Parts of Australia—which has recorded roughly 25,000 cases of coronavirus and 525 deaths to date—remain in lockdown while [travel](#) between most states is restricted.

Government officials have said the country will not reopen its international borders to travellers until a vaccine is found.

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