



Australian Government

Australian Government response to the Senate Rural
and Regional Affairs and Transport References
Committee interim and final reports:

The future of Australia's aviation sector, in the
context of COVID-19 and conditions post pandemic

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Overview

The interim and final reports into the future of Australia's aviation sector in the context of COVID-19 and conditions post pandemic were tabled by the Senate Rural and Regional Affairs and Transport References Committee on 21 March 2021 and 28 March 2022 respectively. The Government's response to the recommendations is below.

Australian Government response

The Australian Government response to the report into Australia's general aviation industry is set out in detail below.

Interim report

Recommendation 1:

The committee recommends that JobKeeper, or wage subsidies modelled off JobKeeper, be continued by the Australian Government to support aviation workers and organisations at the cessation of the JobKeeper scheme in March 2021. This support should be tailored to the economic conditions and government restrictions, including international border restrictions.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

The committee recommends that Australian workers who pay tax and are employed by companies wholly owned by foreign sovereign entities, and Australian local government-owned entities should be eligible to apply for any wage subsidies or other Australian Government support programs for the aviation industry after the cessation of JobKeeper.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

The committee recommends that the Australian Government consider making any further support to the aviation sector conditional on companies agreeing to:

- not further weaken the job security of employees;
- maintain existing regional services; and
- implement moratoriums on the payment of dividends, executive bonuses and executive pay increases.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Final report

Recommendation 1:

The committee recommends that the Australian Government adopts Recommendations 16 and 17 from the Senate Select Committee on Job Security's Third interim report: labour hire and contracting:

Recommendation 16

The committee recognises the merit of an independent body with the power to make and enforce binding standards on aviation supply chain participants, including airports and their central role. Those standards include 'same job, same pay' for outsourced and labour hire workers performing functions directly connected to aviation operations, job security protections, and fair procurement standards. The committee recommends the Australian Government consults with industry participants, including unions, employers, and other stakeholders on the development of this body.

Recommendation 17

The committee recommends the Australian Government imposes obligations upon companies in receipt of future public bailouts, which prioritise job security and guarantee that companies cannot follow Qantas' lead, and exploit emergencies to engage in illegal workforce restructuring.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

The committee recommends that the Australian Government urgently works with industry, unions professional associations, and aviation sector experts, to prepare a comprehensive white paper on the future of the aviation sector post-pandemic, including aviation workforce issues such as:

- the ongoing impacts of job insecurity, wage decline and the erosion of safe work conditions on the aviation workforce, in the context of the pandemic and the sector's recovery;
- measures to lift wages, conditions and standards at airlines and airports around Australia, including aviation workers performing the same job are entitled to the same pay, and holding airlines and others at the top of aviation supply chains responsible for standards throughout the chain;
- options for lifting workforce supply to support the projected growth in aviation activity; and
- approaches to ensuring that workforce growth results in the creation of a sustainable, highly-skilled and secure workforce for the long-term.

Outcomes from the white paper process should inform a national plan for investing in aviation sector workforce retention, training and capacity building to ensure sustainability over the medium and long-term.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

The committee recommends that the Australian Government consults and communicates closely with industry, professional associations and trade unions in the design and delivery of future aviation support measures.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4:

The committee recommends that any future crisis support provided by the Australian Government to the aviation sector be conditional upon recipient entities retaining skills and capacity in the sector. Initiatives designed to retain capacity should specify that workers must be retained, that their pay and conditions should not be reduced, and should set out the amount that workers should be paid under the assistance.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5:

The committee recommends that to assist with enforcing these conditions and expectations associated with future crisis support payments, and in recognition of aviation's critical contribution to national security, supply chains and sovereignty, that the Australian Government considers acquiring an equity stake in support recipients as part of the support agreement.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6:

The committee recommends that the Australian Government provides ongoing and targeted assistance to support the retention, training, certification and recertification of aviation workers throughout the recovery period.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7:

The committee recommends that the Australian Government, in consultation with unions, professional associations, airlines, labour hire companies and training providers:

- identifies the long-term training needs for the aviation sector;
- examines where future pressures lie;
- develops a program of skills development targeted at the aviation sector; and
- develops initiatives to ensure the industry remains internationally competitive in retaining key staff and attracting new entrants to the workforce.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8:

The committee recommends that the Australian Government urgently considers the skills needed across the sector, and the best means of retaining those skilled workers, including developing a scheme that provides financial support directly to pilots, engineers and other highly skilled, in-demand aviation professionals to assist in maintaining their accreditation and training requirements.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9:

The committee recommends the Australian Government leverages its procurement processes and spending within the aviation sector to protect and lift standards, promote fair wages, conditions and job security, and ensure the effective operation of an aviation industry in the national interest.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.