

WORK PACKAGE 5
CASE STUDY ON INDUSTRIAL RELATIONS DURING COVID-19

**IBERIA: A SPANISH CASE OF SUCCESS THANKS TO NEGOTIATED
FLEXIBILITY**

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I. INTRODUCTION

The Iberia group describes itself as the largest Spanish airline, leader in passenger transport between Europe and Latin America¹. The Iberia group belongs to the International Airlines Group (IAG), one of the world's largest airline groups and a member of the Oneworld alliance. The Iberia group includes the airlines Iberia, Iberia Express and Iberia Regional Air Nostrum.

The choice of the airline Iberia as a case study is justified by the evolution of the ownership of the company, which was born as a public company, one of the so-called flag carriers, and a few decades ago was integrated, together with other Spanish companies, into a holding of which airlines that, after Brexit, have lost the status of EU companies are part, is a paradigmatic example whose study is of the greatest interest for the project. The uncertainty caused by the COVID-19 crisis in the air transport sector has been managed reasonably successfully by Iberia, in the terms detailed below.

II. CONTEXT

The importance of the Iberia group lies not only in the fact that it is part of a very powerful international holding company, but also in its significant contribution to the Spanish GDP, over 9000 MM euros. The Iberia group contributes 0.6% of Spanish GDP, according to a study carried out by PwC for the company. Of this figure, 74.6% comes from the activity of passenger air transport. Translated in terms of employment, the Iberia group generates 160,000 jobs in Spain, directly or indirectly related to its business activity, which represents 0.9% of the national total.

In terms of commercial strategy, each of the airlines in the IAG group maintains its own brand identity and develops its own business model. This allows the airlines that form part of the Iberia group to be fully responsible for the design and execution of their commercial strategies and to select their management teams. IAG's parent company sets the group's long-term strategy, sets overall objectives and coordinates the group's transformation plans, procures financing, manages investor relations and initiates and oversees the response to external events affecting the group.

This "coordinated independence" has also materialised during the COVID phase. IAG has focused on general aspects of group coordination, each company has designed its own strategy to deal with the pandemic, managing its labour resources according to the different legal contexts in which the company operates, given that, after Brexit, European and non-EU airlines coexist within the holding company.

¹ <https://www.iairgroup.com/~/-/media/Files/I/IAG/annual-reports/iag-annual-reports/es/informe-y-cuentas-anuales-2022.pdf>

III. RELEVANT ACTORS

1. The company

1.1. Creation

Iberia was formally established in 1927 under the name "Iberia, Compañía Aérea de Transporte". At the end of that year, the company's first commercial flight took place on the Madrid - Barcelona route. During the following decade, the first domestic routes were launched, connecting the country's main cities and the Spanish capital with island destinations. During the 1940s, Iberia began flights to international destinations, both European and transatlantic. In the 1990s, within the regulatory framework that promoted the liberalisation of air transport in the EU, Iberia began a process of transformation that culminated in its complete privatisation in 2001 and its flotation on the stock exchange. In 2009, Iberia and British Airways signed a merger agreement, which was approved by the EU the following year.

1.2. Activities

The Iberia group is made up of several airlines, owned or participated, and develops other complementary lines of business. Thus, in addition to the air transport of passengers and cargo, the Iberia group is responsible for aircraft maintenance (not only for its own fleet but also for aircraft belonging to other companies around the world) and airport assistance (handling). On the other hand, IAG Cargo is the business unit that markets cargo for transport on the group's airlines' aircraft. This broad spectrum of activities allows the group to have a global vision of the business, which undoubtedly gives the company added value compared to others that limit themselves to passenger transport activities.

As far as passenger transport is concerned, the Iberia group operates in this segment together with several subsidiary airlines. Vueling, which was created from the merger of this company with an Iberia subsidiary called Click-air in 2009, with its headquarters in Barcelona, is particularly relevant in the Spanish domestic market, where it was the leader in 2022². Iberia Express, created in 2012 after overcoming a process of conflict with workers³, is the low-

² Vueling was the leader in the domestic market with a 32% share, 13.2 million passengers and an increase of 56.3% compared to January-December 2021. Source: Dirección General de Aviación Civil: https://www.mitma.gob.es/recursos_mfom/paginabasica/recursos/2022_12_coyuntura_companias_ene-dic_2022.pdf

³ In 2012, Iberia's Board of Directors approved a transformation plan without agreement between management and unions which, after a long process of strikes, ended with a mediation process accepted by both parties and where different measures were agreed, such as the reduction of the workforce by 3141 workers through a redundancy programme (ERE), wage reductions of 14% and 7% for flight and ground staff respectively, productivity improvements with a 4% wage reduction if these improvements were not achieved, and the maintenance of the capacity set out in the transformation plan. Further changes were agreed in November 2013, with the agreement of the unions, beyond what was set out in the mediation agreement.

cost carrier of the Iberia Group, based in Madrid, and operates short and medium-haul routes. Iberia Express was created both to feed the long-haul network of its parent company and to operate in the low-cost segment, combining the advantages of low-cost airlines with the benefits of traditionally managed airlines, and is also one of the few low-cost airlines in the world to offer business service on all its aircraft. Finally, LEVEL⁴, founded in 2017, is the low-cost airline dedicated to long-haul routes.

The Iberia group as a whole offers multiple connections and operates in all radii (short, medium and long haul). In the challenges posed by the pandemic, each of the group's companies has had a different recovery trajectory depending on the characteristics of its network and the markets it serves. In this case study we will focus on Iberia THE parent company.

1.3. Financial situation

The pandemic caused by COVID-19 led to a fall in the number of flights, the occupancy factor and, ultimately, the profitability of the air transport business. The pandemic presented the company with a challenge it had never faced before, after a period of continuous growth that culminated in an all-time high in 2019. The pandemic broke out at a time when the sector was considering the creation of strong alliances, which projected a promising future, and made it possible to bet on the purchase of companies that would reinforce Spanish leadership on routes to Latin America. Among other movements, at that time the sale of Air Europa to IAG for 1,000 million euros had been completed⁵.

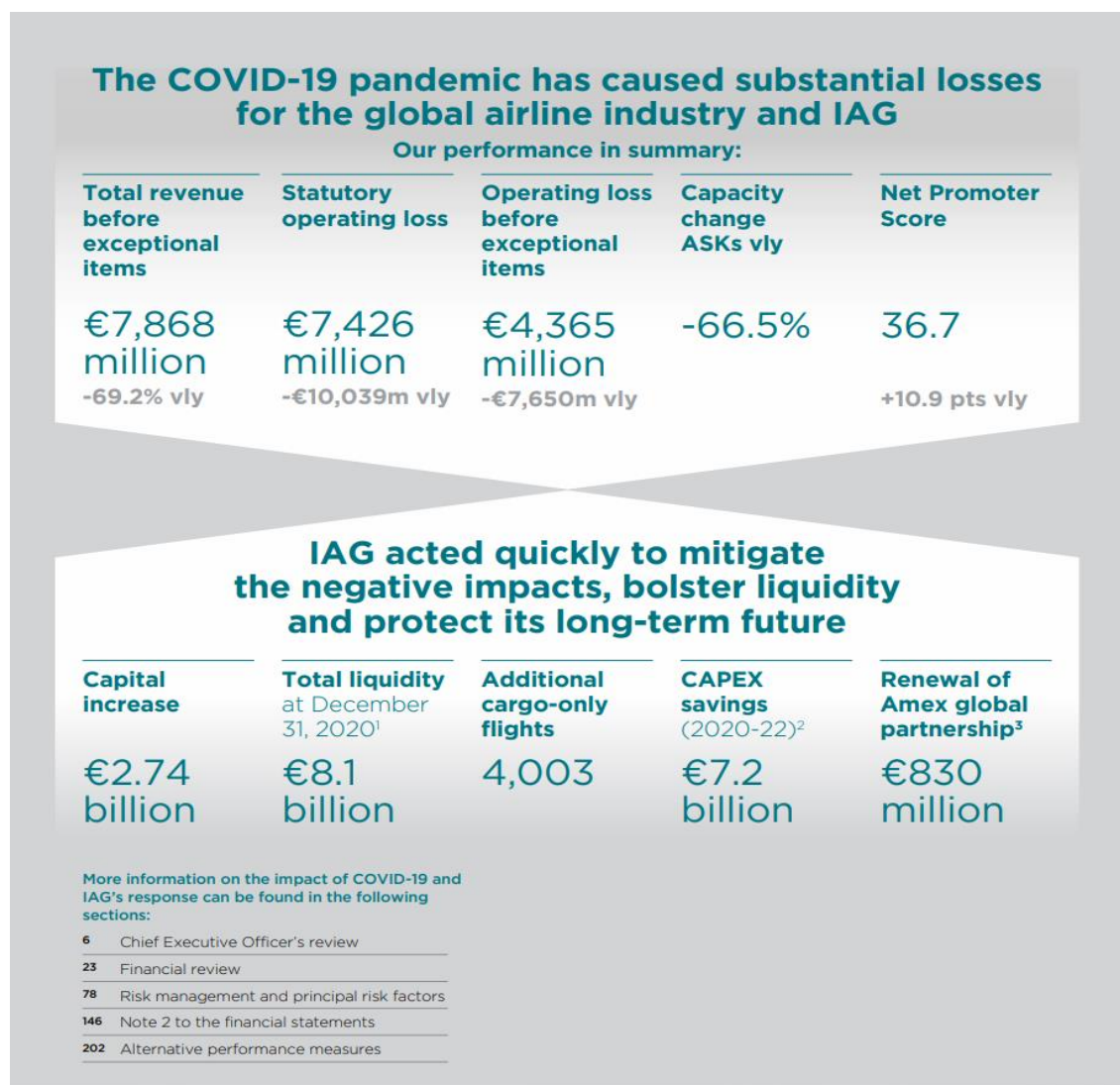
The measures adopted by the Spanish State, negotiated with the social partners, have largely maintained employment in the Spanish aviation sector. Bearing in mind that, as mentioned above, 2019 was a peak year for the sector in Spain, the data indicating that by the end of 2022, 92% of commercial flights had recovered, passenger numbers had recovered by 85.5%, reaching a figure of 249 million passengers, can be pointed to as a success. A few months later, during the winter season (October to March), flights reached almost the same occupancy rate as in 2019 (85% in 2019 vs. 83% in 2022-23).

According to IATA forecasts, the year 2023 will see 1/5th of the profits recorded in 2019, with full profit recovery estimated to be achieved by 2024. Despite this progressive recovery of the sector in Spain, the outlook for the future is uncertain, not only because of the increase in energy prices, a consequence of the invasion of Ukraine, but also because of other

⁴ LEVEL is based at Barcelona airport (El Prat) and was created to compete with Norwegian Air International in the long-haul low-cost market from Barcelona airport.

⁵ COVID 19 contributed to making this operation infinitely more complicated, which, after numerous vicissitudes, allowed IAG to take over the airline for only 500 million euros, without the participation of Globalia, the previous owner. The high level of indebtedness of the company, which the pandemic aggravated exponentially, facilitated the resolution of the purchase operation, having agreed that the payment for the purchase would be deferred until the consolidation of the airline sector, in a period of six years after the closing of the acquisition. In any case, the transaction is conditional on a decision by Brussels on the possible impact on competition law.

challenges that aviation must face, such as digitalisation and, above all, the sustainability commitments set out in the European green transition plan.



During COVID, the IAG group suffered significant losses as its domestic markets are among the most flight-constrained in the world⁶. Compared to the 1.715 billion euros of profits achieved in 2019, the group lost 6.923 billion euros in 2020. The absence of commercial flights meant a fall in revenue of 69.2%⁷. The hardest hit airline was British Airlines⁸, whose revenues fell by 70% to 4,001 billion euros. The airline contained its costs by 44%, which fell to 6.328 billion euros. As far as Spanish airlines are concerned, Iberia withstood the effects of the crisis better: although its revenues fell by 60% to 2,259 billion euros, it managed

⁶ https://www.iairgroup.com/~/_media/Files/I/IAG/documents/q3-results-presentation-2020.pdf

⁷ <https://www.europapress.es/economia/noticia-iag-pierde-6923-millones-2020-frente-beneficios-ano-antes-impacto-covid-19-20210226084328.html>

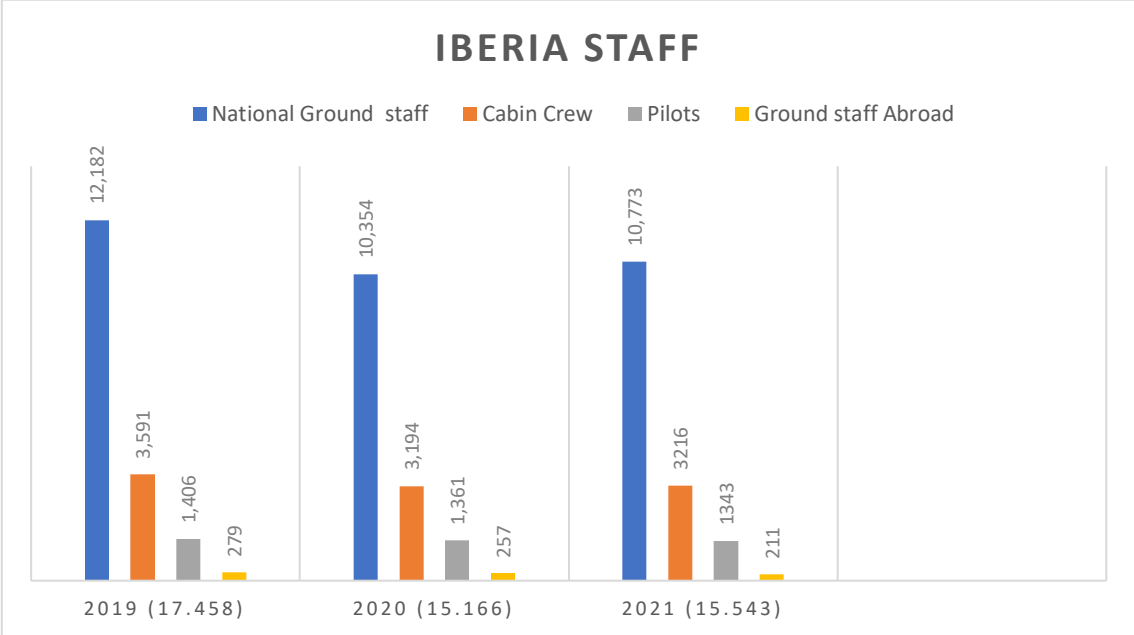
⁸ https://cincodias.elpais.com/cincodias/2021/02/26/companias/1614334734_592210.html

to reduce its costs by 41% to 3,018 billion euros. Vueling, on the other hand, reduced its revenues by 77% to 574 billion euros, while costs fell by 46% to 1.197 billion euros.

The pandemic also entailed huge labour costs, especially in the UK and Ireland, where voluntary and forced redundancies were carried out at British Airways and Air Lingus (2020) at a total cost of 275 billion euros. At the same time, however, the measures taken resulted in significant wage cost savings. By the end of 2020, the Group employed a total of 57,928 people in 82 countries, a decrease of 20% in the year. In contrast to the UK IAG companies, the workforce of Iberia and its subsidiaries (Iberia Express, LEVEL), as well as that of Vueling, was less severely impacted, largely thanks to state aid instrumented through the ERTes⁹. An overview of the situation can be found in the following link¹⁰.

1.4. Workforce

Without prejudice to what was stated in the previous section, the COVID-19 crisis has had a negative impact on the volume of employment in the Iberia company. While in 2019, the number of people working as employees in the company stood at 17,548 people, at the end of 2020 this figure stood at 15,166 people, a figure that began to recover in 2021, when the company ended the year with a workforce of 15,543 people. Ground staff is the group most affected by this decrease in employment, as this group has seen its employment fall by 11.5%. For their part, the decrease in cabin crews is 10.4%. Finally, pilots have only been affected by 4.4%.



Source: Own elaboration based on Iberia's sustainability reports.

⁹ This is a mechanism that allows companies to temporarily suspend employment contracts or reduce working hours, maintaining employment in exchange for a significant reduction or exemption from social security contributions while workers receive unemployment benefits that are more flexible in terms of eligibility and maximum duration.

¹⁰ <https://www.iairgroup.com/~media/Files/I/IAG/documents/q3-results-presentation-2020.pdf>

After the end of the ERTes, human resources management had to manage the safe return of staff, with the help of the trade unions. In contrast to the flight of people working in the airline industry (big quit), which seems to have occurred in other countries, in the Spanish airline industry as a whole and at Iberia in particular, it has been possible to keep workers with permanent contracts and to recover those who have had their temporary contracts terminated. The commitment to maintaining employment provided by the ERTes due to force majeure has allowed operations to begin immediately as activity recovered, and it has only been possible to detect a problem of increased staffing needs in the handling sector. The flexibility in the management of the workforce provided by the ERTes has allowed Iberia to recover the provision of aeronautical services very quickly.

But with the gradual return to work and the recovery of business, tensions between the social partners have begun to surface, mainly due to two concurrent circumstances. Firstly, with the health crisis over, the trade unions are pushing for a return to the previous working conditions. In this context, the renewal of Iberia's collective bargaining agreements, due to expire in 2022, has taken place against a backdrop of a significant increase in inflation. Although the company openly acknowledges that workers and trade unions have been a fundamental pillar in overcoming the crisis, demonstrating an enormous capacity to adapt, the negotiating tables have logically been a space for confrontation. The unions emphasise that the recovery of activity has not been reflected in the company proposals at the negotiating tables in most of the airlines, although, despite the discrepancies, agreements have been reached at Iberia that have allowed for the renewal of collective agreements.

Together with the improvement of working conditions linked to the recovery of business activity, which will be discussed when the renegotiation of collective bargaining agreements is addressed, Iberia has reactivated its recruitment policy. In June 2022, Iberia hired 1,700 new workers for the summer campaigns on permanent contracts, as a result of the application of the labour reform of December 2021. In practice, 1,200 people have joined the company, now with permanent contracts, who before the pandemic were linked to fixed-term contracts, which could be considered as reinstatements. In addition, 500 new hires have been made. By professional groups, 340 Flight Attendants have been recruited, and it is expected that by July 2023 the number will increase by 60 more people. In relation to pilots, a programme called "cadet", launched in 2019 but suspended during the pandemic, has been recovered. The programme is based on the education and training of young pilots, including grants to finance the training process (50% of the cost is financed interest-free and the loans are repaid once they are hired by the group). In December 2022, 40 of these pilots have been incorporated to cover retirements, and in 2023 more incorporations are planned to meet the increase in demand during holiday periods.

Membership rates of trade unions in Iberia are very high compared to other sectors and companies, reaching 100% of pilots, 65.44% of ground staff and 34.69% of cabin crew. Among pilots, SEPLA is the only union; among ground staff, CCOO and UGT are the most representative unions, although many other unions participate in this segment; while, among

cabin crew, the majority of representation is shared between the unions SITCPLA, CCOO and UGT.

III. INDUSTRIAL RELATIONS

1. The crisis caused by COVID-19 and its successful management

The immediate implementation of a ERTE due to force majeure made it possible to maintain employment. In Spain, this instrument allows for the temporary suspension of employment contracts or a temporary reduction in working hours. When the cause alleged by the company, as in this case, is temporary force majeure, the application of this mechanism must be authorised by the administration, which is responsible for corroborating whether the alleged cause exists. On the other hand, and unlike when the alleged cause is economic, technical, productive and organisational, it is not necessary to initiate a procedure of information and consultation with the workers' representatives. In the case of force majeure, it is sufficient for the company to formally notify the trade unions of its intention to request the application of an ERTE. However, on this occasion, Iberia decided voluntarily to initiate an information and consultation procedure with the unions, which ended with an agreement. This decision facilitated the implementation of one of the first force majeure FTEs in Spain on the occasion of COVID-19, even before a state of alarm was declared and the government began to enact specific regulations including extraordinary benefits in the exceptional situation.

As a result of this process of information and consultation between the company and the trade unions, and insofar as the workers were receiving unemployment benefit at a lower rate than their salaries, it was agreed that the company would supplement the workers economic benefits¹¹. Compared to other sectors of economic activity, the stoppage of flights led to a significant reduction in the income of some groups whose actual salary is linked to flight hours (such as overtime, per diems or commissions for in-flight sales). The parties agreed on the payment of a supplement of an amount inversely proportional to the salary received by each worker, so that those receiving higher incomes would be affected by a higher percentage of their remuneration. It was also agreed to distribute proportionally, within each group and on a rotating basis, the working hours that the company needed. The supplementary pay was paid for the first eight months, from April to November, and was eliminated thereafter because of the high cost it entailed.

The ERTE initially affected 13,900 people, out of a workforce of almost 17,000 at the time. This measure made it possible to maintain permanent employment, although the number of workers on fixed-term contracts was significantly reduced. At the same time, the reduction in remuneration translated into a 10% pay cut for the lowest salaries, 40% for directors, 45% for members of the management committee and 50% for the company's chairman¹².

¹¹ https://grupo.iberia.com/contents/archives/475/109/pdfcontent/475_109_1624614208.pdf

¹² https://cincodias.elpais.com/cincodias/2020/03/25/companias/1585148820_657460.html

During the pandemic, the company also had to deal with problems related to the health and safety of its employees. The lack of knowledge of the disease and the possibility of contagion, in an activity that is largely carried out in front of the public, posed a challenge for the company and for the people who remained at work. The company implemented an information and training strategy and introduced the occupational risk prevention measures recommended by national and international authorities, both at its workplaces and on its aircraft. A comprehensive health and safety plan was designed and certified as a safe workplace at all sites where the company provided services. In short, an intense management and innovation activity, as never seen before, in which the collaboration of the company and the trade unions has been essential.

In addition, the management of the ERTE, as it was initially set up, posed another management challenge for the company. The agreement allows workers, within certain limits, to decide voluntarily the periods in which their contracts were suspended and the periods in which they resumed their services, so that each month it had to be decided who would enter and who would leave the ERTE. In the event that the number of people volunteering was not sufficient to cover the needs, the company had to decide who would leave the ERTE. As the company's activity recovered, the management became more onerous, insofar as the exit and entry of a greater number of people had to be managed on a monthly basis, in an activity that was already subject to complex working time organisation systems. This enormous management effort is highlighted by all parties, and would not have been possible without the collaboration of the trade unions.

During the most critical phase of the pandemic, the company decided to "reinvent itself", and in view of the almost total absence of commercial passenger flights, it transformed itself to cover the cargo needs of medical material and basic necessities, taking advantage of the fact that there was a cargo business line within the group. It was therefore decided to reconfigure some aircraft and fly to China to transport medical supplies and other essential products.

Personnel selection processes, which had been suspended during 2020, were progressively recovered and 124 processes were resolved in 2021, an increase of 77% compared to the previous year, when processes were concentrated before the pandemic. In terms of occupational risk prevention, measures and reinforcement of cleaning and disinfection were maintained, work continued to be facilitated with teleconferencing tools and some Iberia buildings were used as vaccination centres, first for company employees and then for people outside the company. In terms of training, the company and trade unions continued to work on the digitalisation of training, self-enrolment and e-learning with more specific training programmes on cybersecurity. In addition, a training programme was launched this year aimed primarily at people affected by the ERTE, to improve their professional skills and qualifications in compliance with the provisions of RDL 18/2021, covering more than 40 hours of training in digital skills and languages.

New events, such as the effects of the Filomena storm, which caused an unusual snowstorm in Spain and Portugal in January 2021, as well as the eruption of the Cumbre Vieja volcano in the Canary Islands in September of the same year, contributed to hindering the recovery of flights. The temporary lay-offs with benefits for companies and workers initiated in 2020 (art. 22 RDL 6/2020) were being extended by the Spanish government, albeit with new requirements and reduced exemptions depending on the new cases.

In September 2021, in view of the growing uncertainty as to whether the government would continue to extend the measures and, if so, whether the extension would include the airline industry, Iberia announced the start of the information and consultation procedure with workers' representatives for a new ERTE, but in this case based on technical, organisational, economic or productive causes (ETOP)¹³. At that time, the company's activity levels were 30-35% lower than those developed in 2019, mainly due to the restrictions on tourism in the United States, Latin America, Japan and China, and the slow recovery of travel. Before the end of the information and consultation procedure, the Directorate General of Labour granted Iberia the extension of the initial ERTE of Force Majeure requested by the company on 4 October 2021, a measure that will remain in force until 28 February 2022. As a result of this favourable resolution, the company announced that it was concluding the information and consultation procedure for the ERTE ETOP. Both the company and the workers' representatives agree that the force majeure ERTEs have been a fundamental tool to safeguard employment during the worst aviation crisis.

By the end of 2021, Iberia had recovered almost all its routes and destinations, growing airport assistance activity by 55% compared to 2019 and having served 47 million more passengers than in 2020. In the summer of 2022 Iberia has returned to growth in Latin America and has recovered its entire network of destinations, scheduling 23.4% more operations for the summer of 2023 than in 2022 and surpassing those carried out in the historic year of 2019. For Easter of the current year 2023, Iberia has increased its capacity by 6% and expects to exceed the good figures of before the pandemic.

The company's take-off is based on lessons learned and new challenges already undertaken in an incipient manner during the hiatus caused by COVID-19. In May 2021, Iberia launched the "Next Chapter Plan"¹⁴, a plan designed to be developed over the next four years, with a dual vision: in the short term, as the most urgent task is to overcome the current crisis in which the company finds itself; and in the long term, to return to being one of the world's leading airlines. The plan is based on four pillars, including the workforce and industrial relations.

The first seeks to reposition Madrid's hub or connection centre. During the pandemic, the boosting of the cargo business has allowed us to see its possibilities, which is why we intend to continue promoting it. But the fundamental idea is to turn the hub into a connection centre with Asia and thus compete with Frankfurt and Paris. Facilitating transit through Madrid by

¹³ https://cincodias.elpais.com/cincodias/2021/09/20/companias/1632121487_001733.html

¹⁴ https://grupo.iberia.es/contents/archives/475/109/pdfcontent/475_109_1621524650.pdf

offering a powerful line also through the development of intermodality with the planned arrival of the high-speed train at the airport. This is expected to increase the number of passengers by 5,000,000 a year, with the additional wealth in indirect wealth for tourist activity.

The second focuses on customers, on regaining their trust. This has been projected during the pandemic by trying to be an operator of excellence in COVID security, providing customers with covid tests, digitalising the documentation required to travel in places with restrictions and, something that was highly valued, providing flexibility and all kinds of facilities so that customers could change their tickets and guaranteeing from the outset a stable minimum programme of flights with Europe and Latin America despite the restrictions. The immediate challenge is already focused on the recovery, on the expansion of the offer, on personalisation and on the strengthening of Premium services.

The third focuses on sustainability in a broad sense. The pandemic facilitated the signing of a collaboration agreement between Iberia and Repsol in July 2021 allowing the first domestic flight (Madrid-Bilbao) to operate with sustainable fuel generated from waste in November 2021. Months later, in June 2022, long-haul flights with biofuel of Spanish origin began on the occasion of the inaugural flights to Dallas, San Francisco and Washington, greatly reducing CO2 emissions. The future is projected in the green hydrogen aircraft, but, in the meantime, more everyday gestures such as the inclusion of vegan menus, recycling in aircraft and the elimination of plastics on board, staff training on sustainability or the incorporation of sustainable electric vehicles or electric aircraft tractors controlled by remote control with reduced emissions and environmental noise at airports, show the commitment to progress in sustainability. This commitment can be seen in detail in Iberia's sustainability reports, which anticipate the recent Directive (EU) 2022/2464 of 14 December 2022, requiring regular information from companies on the effect of their activity on people and the environment.

Fourthly, the social peace temporarily secured with the signing of the agreements for the next few years has managed to get all the staff on board and to start the take-off. All that is needed to avoid a crash landing is for Iberia to reduce the enormous debt accumulated as a result of the pandemic over the next few years¹⁵. If it succeeds, it is ready to take off safely, even if it encounters turbulence on the way.

2. The evolution of collective bargaining

The industrial relations system in the Iberia Group is developed in three different negotiating tables, which distinguish three groups of workers: Pilots, Cabin Crew and Ground Staff.

Once the exceptional pandemic period ended in 2022, the process of renewing the collective bargaining agreements affecting each of these three groups began. Collective bargaining at Iberia takes the form of three separate negotiating tables at which three company collective

¹⁵ Iberia has accumulated enormous debt during the pandemic, having contracted credits from the Instituto de Comercio, having outstanding credit lines before the pandemic that could not be covered and bringing its debt to 11,593 million euros, 29 million more than in the previous period.

bargaining agreements are negotiated, one for pilots, one for cabin crew and one for ground staff, although there is also a sectoral collective agreement for ground staff.

On 15 October 2022 the collective agreement for pilots was signed between Iberia and the SEPLA union for the period 2022 to 2025¹⁶. This is the first agreement reached after the pandemic at Iberia. Wage increases of 6.5% for the first year and 2% for the second year have been agreed. For the rest of the years, variable pay increases have been agreed based on the company's results and include complex wage review clauses based on the evolution of the CPI and the company's results.

With regard to ground staff, the negotiation of the 22nd collective agreement for Iberia LAE ground staff was postponed until November 2022, signed by the company and the CC.OO. and UGT unions, for the period 2022-2025¹⁷. Among the new features, it includes the adaptation of the legal regulation of permanent employees to the needs of the company, improved measures to reconcile professional and family life and wage increases of 6.5% for the first year and 2% for the second year. For the rest of the years, variable pay increases have been agreed based on the company's results and include complex wage review clauses based on the evolution of the CPI and the company's results.

The last of the collective agreements agreed at Iberia is the one regulating the working conditions of Cabin Crew Members, signed on 21 December 2022 by the company and the trade union sections of CITCP, CCOO, SITCPLA and UGT representing the workers, for the period 2022-2025¹⁸. The agreement includes wage increases of 6.50% for the first year and 4% for the second year. For the rest of the years, variable pay increases have been agreed based on the company's results and include complex wage review clauses based on the evolution of the CPI and the company's results.

In short, both during and after the crisis, in order to face the recovery of the market and the new challenges, companies and trade unions have negotiated in good faith and have concluded agreements beneficial to both parties, each defending their own interests, but placing common objectives above individual interests.

V. CONCLUSIONS

The experience of the COVID-19 crisis has shown the company the usefulness of dialogue and agreement to ensure rapid adaptation to unexpected changes. The effectiveness of working together with the workers' representatives, who not only negotiated with the workers' representatives when they had to, but also negotiated prudently, refrained from

¹⁶ [Resolución de 15 de diciembre de 2022, de la Dirección General de Trabajo, por la que se registra y publica el X Convenio Colectivo Iberia LAE, SA y sus pilotos](#)

¹⁷ [Resolución de 20 de enero de 2023, de la Dirección General de Trabajo, por la que se registra y publica el XXII Convenio colectivo del personal de tierra de Iberia Líneas Aéreas de España, SA, Operadora S. Unipersonal](#)

¹⁸ [Resolución de de 27 de febrero de 2023, de la Dirección General de Trabajo, por la que se registra y publica el XVIII Convenio colectivo de Iberia, LAE, SA, Operadora, SU, y sus tripulantes de cabina de pasajeros](#)

raising conflicts in the most difficult initial moments and offered proposals for day-to-day management, beyond the negotiation of specific labour measures. Crisis management was based on principles: Firstly, all parties involved have been fully aware of the importance of the higher goods at stake: safety and health of the workers and maintaining the future viability of the company. Secondly, all the exceptional measures implemented have been the subject of a thorough process of negotiation and agreement with the trade union organisations, even when the legal regulations allowed the company to implement them without negotiation. Thirdly, the negotiation and agreement has allowed each of the parties to bear a proportionate and reasonable share of the costs. Fourthly, all parties have been able to adapt flexibly to the circumstances of the moment, making the needs of the service compatible with workers' rights.

Many of the changes introduced in this exceptional situation in order to maintain or redirect business activity, as well as to comply with isolation and health prevention measures, have proven to be extremely useful and should be retained, either as a normality management tool or for future unforeseen emergencies.

The pandemic accelerated programmes to replace the aircraft fleet with new generation or more sustainable long-haul aircraft. In addition, aircraft that were initially used to transport medical products have been used to diversify revenue streams and now boost cargo activity.

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Case-study evaluation

Criteria	Evaluation on a scale of 1-5 (1=minimum, 5=max)	1	2	3	4	5
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Innovation	<p><i>Explanation: to what degree does the topic/subject analysed in the case study deviate from existing practices and legal frameworks? Why the case study is innovative?</i></p> <p>During COVID-19, the most relevant innovation has been the application of an ERTE due to force majeure that has been negotiated with the trade unions, despite the fact that the legal regulation does not require such negotiation.</p> <p>In terms of collective bargaining, at the end of the health crisis, the three collective bargaining agreements applicable to pilots, flight attendants and ground staff respectively were renewed without major disputes.</p>				X	

Criteria	Evaluation on a scale of 1-5 (1=minimum, 5=max)	1	2	3	4	5
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Transferability	<p>Explanation: to what degree can the results/lessons learnt in the case-study be transferred along the air transport value chain? other sectors? other countries?</p> <p>The way in which the company and workers' representatives have dealt with the situation caused by the pandemic can easily (and conveniently) be transferred to other sectors of activity and other industrial relations systems. The essential elements of crisis management have been the following: 1. Full awareness of the importance of the assets at stake on the part of all those involved: health and safety of the workers and maintenance of the future viability of the company. 2. Determination of the measures to be adopted through dialogue and consensus, the measures implemented have been negotiated with the trade unions, even when the regulations did not require it, each of the parties has assumed reasonable losses. 3. Adaptation and flexibility to the circumstances of the moment, making the needs of the service compatible with the rights of the workers.</p>					

Criteria	Evaluation on a scale of 1-5 (1=minimum, 5=max)	1	2	3	4	5
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Inclusiveness	<p>Explanation: to what degree does the topic/subject analysed in the case-study see the involvement of partners and public actors?</p> <p>Social dialogue has enabled the company and the trade unions to manage the way out of the crisis and the new collective agreements that make it possible to recover part of the wage losses, although all this has been possible thanks to the ERTE's COVID-19, an instrument whose regulation was improved during the pandemic.</p>					

Criteria	Evaluation on a scale of 1-5 (1=minimum, 5=max)	1	2	3	4	5
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X

Covid-19 causality	<p><i>Explanation:</i> <i>to what degree is the topic/subject analysed in the case-study directly related to the Covid-19 outbreak?</i></p> <p>COVID-19 has had a significant impact on the air transport sector, as it has not been possible to generalise remote working.</p> <p>The experience of management agreed by the parties, especially through voluntary rotation schemes, is an example of good practice in the sector.</p>
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