



Varieties of Industrial Relations in Aviation Lockdown

Work Package 3: Industrial Relations pre-Covid19

National report: Italy

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Part I – Country specific Industrial Relations pre-COVID-19

General overview

Italy's post-war Constitution, enacted in 1948, provides for two fundamental rights that constitute the foundation of the industrial relations system today. Articles 39 and 40 establish, respectively, the freedom of trade union association and the right to strike.¹ While the framers of the Constitution envisioned a much more highly regulated system, what evolved in practice was much different. Article 40, which called for future legislation to discipline the strike, was only partially realised. As a consequence, the strike today is only regulated for essential services, including air transport. The second part of Article 39, which also relied on future legislation that would have governed collective bargaining, including the extension of contracts *erga omnes*, also remains unrealised. As a consequence, industrial relations (IR) in Italy's private sector evolved into a voluntary, largely self-regulated system that rests on the primacy of sectoral bargaining among Italy's historic labor confederations, CIGL, CISL and UIL, and various employer associations, organised on the basis of size, type (e.g., cooperative) and/or sector (e.g., retail, agriculture).

The system is in constant evolution, with recent decades seeing a strengthening of collective bargaining at the company, or secondary, level changes in the role of the state vis-a-vis social partners, the proliferation of employer representatives and independent (not affiliated with the historic confederations) labor organisations, increased penetration at the company level by unions and the erosion of the power of traditional social partners with respect to the state. Recent years have also seen the phenomenon of "disorganised decentralisation," driven by factors like outsourcing, and the proliferation of "pirate" or low-road sectoral collective bargaining agreements (CBAs), that have reduced wages and eroded working conditions where applied. Since the early 1990s, a series of voluntary agreements (most of which are bipartite) have sought to better rationalise worker representation and collective bargaining, and better govern the negotiation of company-level agreements under terms established in the national-level sector agreements in a process of "organised decentralisation," jointly regulated by the social partners.

Main actors

At the national level, the main union actors are CGIL, CISL, and UIL. These confederations generally organise workers on the basis of sector under individual, affiliated federations. The three confederations were born out of a split in the early post-war period along ideological and party lines, with CGIL, CISL and UIL aligned with the Communist Party, Christian Democracy, and Socialist Party, respectively.² In addition to traditional workers, the labor confederations represent pensioners and, increasingly, freelancers and other forms of precarious work, regardless of sector.

Outside of these three main actors on the labor side, there are numerous, independent labor organisations in Italy today, including UGL (a smaller confederation historically aligned with the right), CISAL (a federation of autonomous unions), numerous craft unions and "base" or rank-and-file committees, like USB (Base Unions), Cobas (Confederation of Base Committees), CUB (the Unitary Base Confederation) Slai Cobas (Union of self-organised workers – Cobas) and Si Cobas (Intersectoral Union-Cobas). Si Cobas, in particular, counts many members among foreign-born workers in third party logistics operations in northern Italy. While less

¹ R. Pedersini, *Italy: institutionalisation and resilience in a changing economic and political environment*, in T. Mueller, et al., *Collective Bargaining in Europe: Toward an Endgame Vol. II*, 2019, Brussels, ETUI.

² L. Fulton (2021) National Industrial Relations, an update (2019-2021). Labour Research Department and ETUI: <https://www.worker-participation.eu/National-Industrial-Relations/Countries/Italy/Trade-Unions>

representative nationally, these other actors play important roles in specific sectors, geographic areas and companies as participants in bargaining and signatories to CBAs, including in the air transport sector, logistics and public sector.

Though lower than the post-war high of 50% reached in the 1970s, as of 2019 union density in Italy was 32.5%, still among the highest in Europe.³ As of 2019, CGIL counted 2.7 million members, CISL 2.4 million members and UIL 1.7 million. It is worth noting that, in addition to these aforementioned actively-employed union members, the three main confederations count nearly 5 million, additional retired members. Each confederation has an affiliated federation of retired employees who engage in collective bargaining and represent some of the most well-resourced federations in the labor movement today.⁴

Employers in Italy are also highly organised, with employer density estimated at around 60%.⁵ At the national level, there are many more representative employer associations than labor confederations. Some of the proliferation among employer associations can be explained by the same historical ideological/political alignments we see among unions. Additionally, while some employer associations—for example Confindustria, which represents large employers—are organised on a confederal basis, others cover employers in a specific sector (retail, agribusiness, etc.), are based on size (artisanal, SMEs, etc.) or by type of business (e.g., cooperative). The largest employer associations are Confindustria (700,000 members) Confartigianato (678,280 members) and CNA (622,000 members).⁶ Recently, employer associations have banded together in new networks, alliances or confederations to better leverage their power at the bargaining table and vis-a-vis state and local government: for example, the three main cooperative employer associations (Legacoop, Confcooperative, AGCI) have formed *Alleanza Cooperativa*, while Confartigianato, CNA, Casartigiani, Confartigianato, Confcommercio and Confesercenti have created *R.ETE. Imprese Italia*.

The most representative employer associations are:

- Confindustria (General Confederation of Italian Industry) which represents more than 70% of large firms in Italy, across industries
- Confartigianato, CNA, Casartigiani, which together represent more than 30% of artisanal firms in Italy, across sectors
- Confcommercio, Confesercenti, which collectively represent just over 20% of firms in retail, tourism and hospitality
- Legacoop, Confcooperative, AGCI, confederations which represent cooperative firms of all sizes across sectors
- Confagricoltura (which represents large agricultural firms); CIA and Coldiretti (which represent the smallest agriculture firms)

³ Eurofound, *Living and Working in Italy*, March 28, 2022: <https://www.eurofound.europa.eu/country/italy#actors-and-institutions>

⁴ Eurofound, *Living and Working in Italy*, March 28, 2022: <https://www.eurofound.europa.eu/country/italy#actors-and-institutions>

⁵ *Collective Bargaining in OECD and accession countries*, Organization for Economic Cooperation and Development, 2017: <https://www.oecd.org/employment/emp/collective-bargaining-italy.pdf>

⁶ Eurofound, *Living and Working in Italy*, March 28, 2022: <https://www.eurofound.europa.eu/country/italy#actors-and-institutions>

IR in Italy: a voluntarist regime

As mentioned in the introduction, the failure of parliament to enact specific legislation called for in articles 39 and 40 of the Italian Constitution led to the creation of a voluntaristic, self-regulated system resting on the principle of maximum freedom of association and negotiation for the social partners. That said, several pieces of legislation exist that impact industrial relations, without changing the fundamentally voluntaristic nature of the system.

Act 300 of 1970, the “Worker’s Statute,” passed with the support of organised labor on the heels of the 1968 movement, strengthens, on the one hand, individual workers’ rights vis a vis the employer, guaranteeing, for instance, that a worker fired without just cause be rehired. On the other hand, the law also strengthens the rights of trade unions, including the establishment of a structure for representation in the workplace: the *Rappresentanza Sindacale Aziendale (RSA)* or Workplace Representation Structure. The RSA represented an attempt to institutionalise the factory councils which emerged spontaneously during the 1968 movement,⁷ creating a single channel model of representation.

In 1990, Parliament, with the favourable opinion of the social partners, passed act number 146/1990 which governs the right to strike in “essential public services.”⁸ The law sets out specific rules to be followed by unions and workers on strike, in sectors considered “essential to ensure the exercise of fundamental individual rights of citizens.” The law also created an independent, public authority, the Commission to Guarantee the Right to Strike to monitor the application of the law. Essential services include a wide array of services, including the air transport sector, and all support activities necessary to guarantee the service, such as air traffic control, cleaning and catering services. The law requires respect of a series of rules, including: 1.) appropriate notice of the intent to strike along with duration and modality 2.) guarantee of minimal levels of service, which must be collectively bargained. In the case that no collective agreement exists among social partners regarding essential services, the Commission may impose its own, provisional rules. The law also provides for specific sanctions that may be levied against individual strikers and unions in the event these rules are not respected.

In the absence of further legislation to govern collective bargaining, the traditional, main actors decided, to create their own rules to govern workplace representation and collective bargaining, with a series of protocols and agreements, the first of which goes back to 1993. In that year, CGIL, CISL, UIL and Confindustria, along with the Ciampi government, signed a tripartite protocol that confirmed the single channel model based on two levels of bargaining, with the sectoral level as primary and the company level as secondary. Whereas prior to the 1993 agreements, both levels of contract were independent of one another, the 1993 protocol establishes the company level agreement as dependent on the sector-level agreement, and introduces a new method for indexing wages to “planned” inflation, as a means of wage restraint designed to ensure compliance with Maastricht. The Protocol also introduced a new, unitary form of workplace representation, the *Rappresentanza Sindacale Unitaria*, which was designed to replace the RSA.

Following a period of conflict among labor confederations, in 2014, the social partners, in a show of renewed unity, signed a bipartite agreement, confirming the 1993 protocol, introducing further rules for collective bargaining, including who participates based on representativeness, determining the validity of secondary

⁷ Pedersini, 348.

⁸ G. Pino, *Sciopero nei Servizi Pubblici Essenziali*, in *Diritto on line*, 2014, Treccani: [https://www.treccani.it/enciclopedia/sciopero-nei-servizi-pubblici-essenziali_\(Diritto-on-line\)/](https://www.treccani.it/enciclopedia/sciopero-nei-servizi-pubblici-essenziali_(Diritto-on-line)/)

agreements along with procedural norms on contract renewals and peace clauses.⁹ The 2018 *Patto per la Fabbrica* (Factory Pact) further defines rules for determining representativeness, including on the employer side, as well as measures designed to contain the proliferation of CBAs, in particular low-road, or “pirate” agreements negotiated specifically to lower costs and erode working conditions with respect to sectoral agreements.

Relations between trade unions and State

Because of their ability to mobilise workers on a large scale and their historical alignment with political parties, both in the opposition and in the majority, unions historically had a strong voice, not just at the bargaining table, but legislatively as well. The new millennium saw the erosion of union strength vis-a-vis political actors and the state, with some or all labor confederations excluded from discussions around important protocols and legislation affecting worker rights and collective bargaining. A few examples: the Berlusconi government’s 2002 “Pact for Italy” was not signed by CGIL; a 2011 law, advocated by Mario Draghi and Jean-Claude Trichet, in their role of Presidents of the ECB, to push for greater decentralisation in bargaining was passed without union support which, among other things, allowed for the possibility of negotiating “proximity agreements” which could include less favourable treatment than guaranteed by the sector-level contract and even labour law. In 2012, the Monti government weakened the protections against termination without just cause in the 1970s Workers Statute, and the Renzi government, in 2015, further weakened this protection through the Jobs Act which, among other things, requires that workers hired following passage of the law who experience an unjust termination receive compensation from the employer, without the requirement to rehire. In essence, in the absence of specific CBA language to the contrary, employers can simply budget for the cost of unjust terminations.

In more recent years, however, we have perhaps seen a degree of strengthening of the role of unions vis-a-vis the state, with unions signing tripartite agreements around remote and agile work as well as Covid protections.

Workplace representation

In Italy, there are two forms of single-channel workplace representation structures: the *Rappresentanza Sindacale Aziendale (RSA)* and *Rappresentanza Sindacale Unitaria (RSU)*.

The RSA was introduced through legislation, the so-called “Workers’ Statute” (Act n. 300/1970, article 19). This act provides, in workplaces with more than 15 employees (greater than 5 in agriculture), for the possibility that workers may “constitute” (without specifying how) (RSA) (Workplace Union Structure) on the basis of unions that are signatories to collective agreements applied in the establishment in question. Initially, these RSA were elected (and identified themselves with the factory councils that had emerged spontaneously along with the labour struggles of the fall of 1969). Later on (following the equally spontaneous disappearance of the factory councils) they become mere expressions of union membership, with delegates no longer elected but rather directly appointed by the unions themselves (every union that is signatory to a collective agreement applied in an establishment can, therefore, appoint its own RSA).

Title III of the Workers’ Statute attributes to the RSA important union rights in the workplace. Despite RSAs’ participation in collective bargaining at the firm level, this is not a power expressly granted by the law. This

⁹ Pedersini, 349.

power is, however, recognised by the 2014 agreement among the social partners which regulates workplace representation (*Testo Unico* 10 January 2014).

In 1993 the main labor federations, seeking greater democracy within workplace representation structures, introduced the *RSU (Unitary Workplace Union Structure)* as part of the tripartite agreement governing labor relations. Rules governing the RSU were then updated by the interconfederal agreement signed with Confindustria and CGIL, CISL, UIL (*Testo Unico sulla Rappresentanza* of 10 January 2014), which encourages the transformation of the RSA into RSU. These unitary workplace structures are necessarily elected by all employees in an establishment, on the basis of union lists, every three years.

Where they exist, the RSU substitutes the RSA in terms of recognised union rights in the workplace, and they have the power to collectively negotiate company level agreements.

Across all firms, the RSA and RSU are present in just 12.1% and 11.8% of firms, respectively. In general they tend to be found in larger firms, mainly because the law governing workplace representation only applies to firms with 15 or more employees. The slight preference for RSA can be explained by the nature of the RSU: 1.) since this model was established by the 2014 interconfederal agreement, it applies only to firms that are members of Confindustria and who apply a CBA signed by CGIL, CISL and UIL and; 2.) as a unitary, elected body, the RSU is more cumbersome because of the need to hold elections, and the collegial nature of its ongoing operation.

Collective bargaining

At the national level, it is estimated that CBAs cover between 80 and 90% of employees in Italy, while only between 30 and 40% of employees are covered by a company level agreement. This reflects a number of factors: the historical weakness of unions within the workplace, the system of sectoral bargaining that developed in Italy during the post-war period and the prevalence of micro- and small-firms in the Italian economy.

Collective bargaining in Italy is regulated by a series of voluntary agreements, starting with the 1993 tripartite protocol, updated successively in 2014 and 2018 through bipartite agreements. The 2014 agreement (*Testo Unico*), mirroring the legislation governing bargaining in the public sector, stipulates that labor organisations that represent at least 5% of the workforce (calculated as the average between dues-paying members and number of delegates) may participate in sectoral bargaining and act as signatories. The 2018 Factory Pact introduces rules governing employer association representativeness. (This, along with a law requiring any national level CBA be assigned a unique alphanumeric identifier to facilitate tracking of contracts by CNEL, are attempts at combating the phenomenon of “pirate” contracts.)

Bargaining under these agreements is two-tier: the first tier is the national sectoral contract negotiated every three years occurs by the signatories to the 2014 and 2018 agreements. This first tier establishes common treatment for all occupations in the sector, sets the wage floor of the sector and indexes wages to the European harmonised consumer price index for Italy, minus energy consumption¹⁰. Bargaining at the second tier, or company level, takes place within specific boundaries established by the national contract and is designed to build on the floor established in sectoral bargaining through mechanisms like gain sharing, company-specific welfare, training, safety and working hours.

¹⁰ <https://www.worker-participation.eu/National-Industrial-Relations/Countries/Italy/Collective-Bargaining>

Traditionally the metal-mechanical federations and Confindustria have set the tone for collective bargaining in other industries. Often the metalmechanical contract has the highest wages and most favourable conditions. FIOM, the metalmechanical federation of CGIL, is among the most militant and progressive labor federations historically.

In recent decades, pressures pushing the system toward greater decentralisation have increased. Some of these pressures are exogenous, such as globalisation, the economic crisis and a general neoliberal convergence (Streeck 2009¹¹; Baccaro and Howell 2011¹²) accelerated by the so called “New European Economic Governance” (NEEG) (Leonardi 2016¹³) which seeks a more decentralised IR system. Other factors are endogenous in nature, such as increasing labour market precariousness, North-South divide, low productivity and the profound socio-technical changes in the workforce which constrain the traditional scope of union representation (Baglioni, 2009).¹⁴

A key feature of the system is representative plurality, both among labour and employers, has given rise to a proliferation of contracts in certain sectors. According to one survey conducted by the National Institute of Statistics (Istituto Nazionale di Statistica, ISTAT), in 2016 there were “200 ‘main’ industrial collective agreements applied in private sector firms with at least 10 employees.” And as of 2018, there were 884 sector agreements, a number that had doubled with respect to 2008.¹⁵ In 2021, the number of contracts increased to 933.¹⁶ The proliferation of CBAs has also created space for low-road employers to “shop” for favourable agreements, including the use of so-called “pirate contracts.” Of the 933 contracts reviewed in 2021 by CNEL, 353 were signed by social partners of dubious representativeness. These contracts covered just 33,000 workers and often featured treatment that was worse than the national sectoral contract.¹⁷ These pirate contracts are aimed at permitting social dumping, while still providing some coverage to employers to be able to claim compliance with the Constitution’s minimum wage guarantee.

Despite these pressures, collective bargaining in Italy remains highly centralised, and while company-level CBAs have increased over time, they are generally negotiated within boundaries established by the national, sectoral-level CBA. The high level of coverage by sectoral CBAs can be explained by several factors:

1. Individual members of employer associations voluntarily agree to apply the relevant contract negotiated by their association to their own employers
2. In the absence of a standard minimum wage in Italy, jurisprudence has interpreted the Constitution’s guarantee of a worker’s “right to remuneration commensurate with the quantity and quality of their work...” to mean a wage not lower than the minimum established by the relevant sectoral CA, which has encouraged employers to apply the relevant CA
3. The use of protocols and other agreements in specific geographic areas or sectors to encourage application of CBAs in industries with extensive use of outsourcing

¹¹ W. STREECK, *Re-Forming Capitalism*, 2009, Oxford, Oxford University Press

¹² L. BACCARO, C. Howell, *A common neoliberal trajectory. The transformation of industrial relations in advanced capitalism*, in *Politics & Society*, 2019, 39(4), p. 521–63.

¹³ S. LEONARDI, *L'impatto della nuova governance europea sulla contrattazione in Italia, Spagna e Portogallo*, in *Quaderni Rassegna Sindacale*, 2016, 1, p. 147–172.

¹⁴ G. BAGLIONI, *L'accerchiamento*, 2009, Il Mulino, Bologna.

¹⁵ Pedersini, 345.

¹⁶ G. Pogliotti, *Contratti collettivi, oltre un terzo è pirata: Anagrafe unica al via*, *Il Sole 24 Ore*, 9 December 2021: https://www.ilssole24ore.com/art/contratti-collettivi-oltre-terzo-e-pirata-anagrafe-unica-via-AEgxEN1?refresh_ce=1

¹⁷ G. Pogliotti, *Contratti Collettivi*

Part II – Industrial Relations in aviation pre-COVID 19

Introduction

The report is based on desk-research and on interviews conducted with the Italian Associate partners of the Viral Project: *Filt-Cgil*, *Fit-Cisl* and *Uiltrasporti* on the trade union side, and *Assaeroporti* (the association of airports) on the employers' side. The purpose of the interviews was to develop a picture of national-level industrial relations (IR) in the aviation industry. Future research and interviews focused on more recent events and the impact of Covid-19 will be conducted separately.

Generally speaking, the aviation industry in Italy—as is the case in all the other European countries—has experienced radical changes over the last 30 years, with the industry still under constant restructuring due to the privatization of the state-owned airline company Alitalia, liberalisation of the sector, which began in the '90s, and the consequent emergence of low-cost airlines, primarily Ryanair. The main factors, then, driving industrial relations dynamics in the industry are: increased fragmentation, unregulated competition among airports, a shift in terms of economic resources, or added-value, from airlines to airports, and downward pressure by low-cost carriers on wages and working conditions. These factors have profoundly transformed industrial relations: new actors have emerged on the employer side, traditional labor federations have become more representative at the expense of autonomous professional associations, with the labor federations taking on a more inter-class character, leading to a cross-occupational bargaining approach.

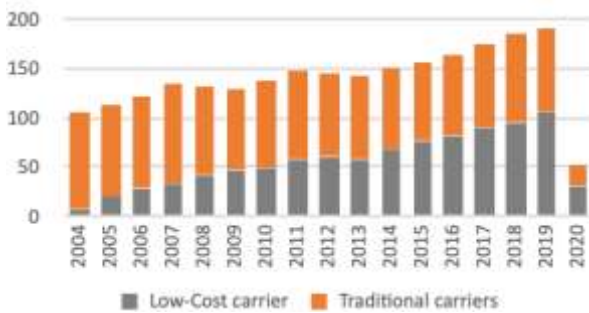
Financial situation and employment in aviation developed prior to Covid-19

Italy counts about 120 operating airports located in all the Italian regions, 39 of which are recognized and certified by ENAC (*Ente Nazionale per l'Aviazione Civile* - Italian Civil Aviation Authority) as airports of national interest, 10 as strategic airports and 3 as international hubs (Venice, Roma Fiumicino and Milano Malpensa). The civil aviation industry has experienced strong competition over the last 20 years, primarily due to the presence of companies offering low-cost flights.

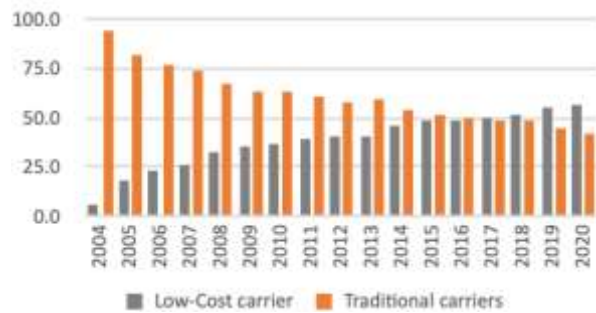
The impact of the low-cost companies on passenger traffic can easily be understood in the following figures: against the doubling of passenger traffic from 2004 to 2019 (from 100 million to almost 200 million) the share (measured by percentage of total traffic) covered by low-cost companies has rapidly increased from 6.2% in 2014 to 55% in 2019, surpassing the volume of the traditional carriers in 2017. Among the low-cost companies, the leader is Ryanair, which in 2019 carried 40.5 million passengers (compared to 22 million by Alitalia) out of a total of 192 million passengers that year.

In terms of passenger traffic by origin/destination of flights, Europe represents the prevalent geographical area for the carriers operating in Italy: flights within the European Union (EU) represented 76.9% of the total (source ENAC), while flights to/from European Countries outside of the EU made up 10.3% of total flights. After EU liberalization of the domestic and intra-EU air transport market at the end of the '90s, intra-EU passenger traffic for Italy rapidly increased: from 2002 to 2019 the Italian market tripled, exceeding the increases of other major EU countries, which saw intra-EU traffic roughly double within the same timeframe. (The only exception is Great Britain, where liberalization began earlier than in the rest of Europe.)

Tab. 1 – Traffic of Low-cost carriers and traditional carriers: number of passengers (2004-2020)



Tab. 2 – Traffic of low-cost carriers and traditional carriers: % of total traffic (2004-2020)

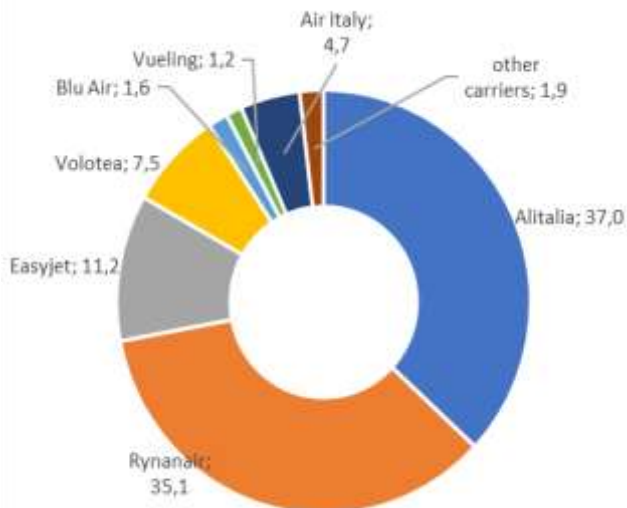


Source: ENAC

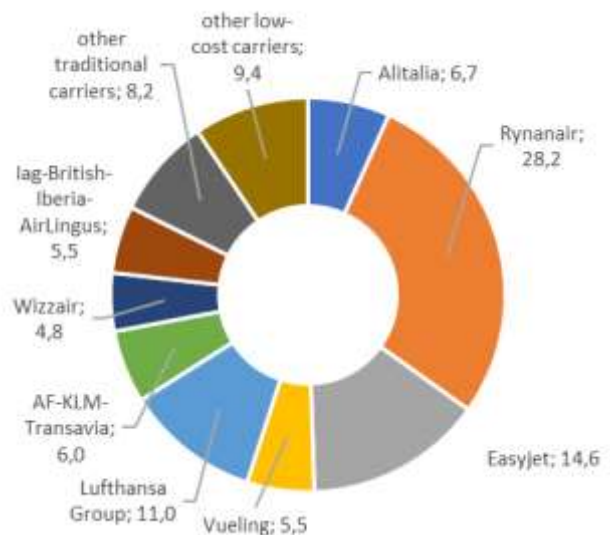
The faster growth of the Italian market is due to several concomitant factors:

1. The weakness of the legacy carrier, which prior to privatization was prevented from growing due to constraints established by the EU as a condition for increased state aid, with later growth held back by successive private managements low propensity to re-invest;
2. The fragmentation among airport operators;
3. The massive and rapid penetration of low cost carriers, favoured by the two previous conditions¹⁸.

Tab. 3 – Domestic market by Airline company (2019, market share in terms of passengers)



Tab. 4 – Intra-EU market by Airline company (2019, market share in terms of passengers)



Source: ENAC

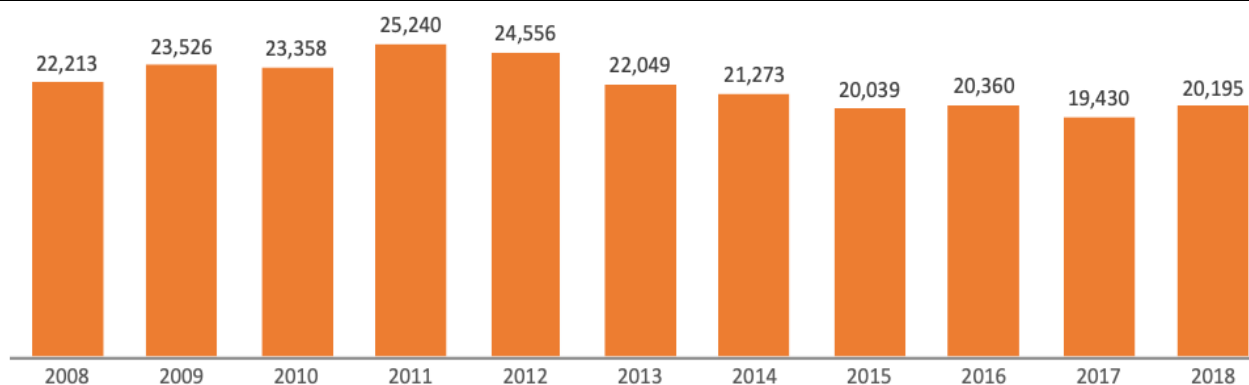
On the basis of estimates using ENAC data on passenger traffic, one can distinguish between domestic and intra-EU markets in terms of passenger volume, number of carriers and market share. First, in terms of markets, in 2019 the intra-EU market was three times the size of the domestic market (107 million against

¹⁸ Arrigo Ugo (2021), [La Crisi di Alitalia? Un successo del mercato](#), la voce.info

32 million). Secondly, in the domestic market the number of carriers was lower and among these Alitalia carried 37% of total passengers on domestic flights, while low cost carriers made up 57% (Ryanair 35%, Easyjet 11%, Volotea 8%). Almost a further 5 percent was covered by Air Italy, which ceased operations at the beginning of 2020. Finally, the intra-EU market is characterised by a greater number of carriers, with Alitalia covering just 6.7% of the total number of passengers while the three major European groups (Lufthansa, AF-KLM and IAG) held a total of 19%, with their traditional airlines alone and 28% including low cost subsidiaries (Vueling, Eurowings, Transavia). Low-cost airlines had around two thirds of the market in 2019 with the following breakdown: Ryanair 28%, Easyjet 15%, Vueling 6% and Wizzair 5%¹⁹.

Employment in the sector saw constant growth until 2011, when the sector began to experience considerable job losses resulting from the restructuring of Alitalia, a process which lasted ten years. On the basis of ISTAT (Italy's National Institute of Statistics) estimates (ASIA Occupazione)²⁰ by occupation, the number of employees in the air transport industry in 2018 was 20,195. On the basis of interviews conducted, total airport-based employment amounts to about 120,000, 30% of whom are not currently working because of the pandemic and are covered by social-shock absorbers. Based on Assaeroporti's estimates, the whole air transport sector employs, directly and indirectly, about 880,000 workers (2019)²¹.

Tab. 5 – Number of employees in the air transport industry in Italy (2008-2018)



Source: Istat

In terms of turnover²², the air transport industry in Italy produced about €9.2 billion in 2018. On the basis of ISTAT data, turnover for the sector as a whole reached its peak in 2014, followed by rapid decline of 30% before stabilising between 2016 and 2018. Note that the precipitous drop in turnover between 2008 and 2009 is due to attempts, in 2008, to privatise Alitalia. Based on Assaeroporti's estimates, the whole air transport sector represents 3,6% of the national GDP (2019)²³.

¹⁹ Arrigo Ugo (2021), [Un magro futuro per la nuova Ita](#), la voce.info

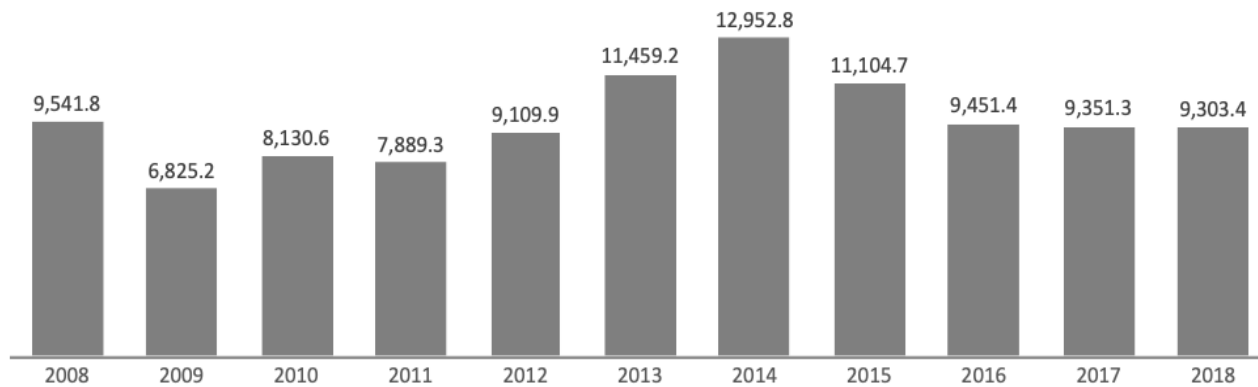
²⁰ The source adds the following information: "Number of employees is defined as those persons who work for an employer and who have a contract of employment and receive compensation in the form of wages, salaries, fees, gratuities, piecework pay or remuneration in kind. A worker from an employment agency is considered to be an employee of that temporary employment agency and not of the unit (customer) in which they work"

²¹ [AUDIZIONE ASSAEROPORTI](#) presso Commissioni riunite 5^a Bilancio e 14^a Politiche dell'Unione europea del Senato della Repubblica Atto n. 572 Proposta di "Linee guida per la definizione del Piano nazionale di ripresa e resilienza"

²² Turnover is the total of all sales (excluding VAT) of goods and services carried out by the enterprises of a given sector during the reference period

²³ Idem

Tab. 6 – Turnover in the air transport industry in Italy (2008-2018) (millions of euro)



Source: Istat

Industrial relations

In its heyday, Alitalia was the leading carrier in Italy's air transport industry, and the cornerstone of the entire aviation value chain. As a consequence, industrial relations in the sector were mainly determined by the balance of power among social partners within the flagship carrier at a given time. Now with the weakening of Alitalia and the entry into the air transport market of low-cost airlines, the aviation value chain is mainly driven by the role of airports and the public/private airport management companies. In this new context, industrial relations appear to be in search of a new equilibrium.

The interviews indicate that 2008 was a pivotal year in terms of IR ("our September 11," in the words of one of the union leaders interviewed). 2008 was the year of the decline of the traditional aviation IR system: a system focused on Alitalia and characterised by highly fragmented interest representation in which autonomous unions representing the most highly professionalized occupations (eg., pilots, flight attendants) dominated negotiations, with the main labor federations representing mostly lower-skilled occupations, based in the airports. As this system collapsed, a new model emerged more oriented towards representation of the whole aviation value chain.

One of the peculiarities of the industrial relations system in the air transport industry is the employment composition by professional profile: while there are medium-to-low skilled work profiles among the ground staff, the sector is characterised by a large share of highly skilled workers (pilots, ATM and maintenance), when compared to other industries.

Because no law governs collective bargaining in Italy's private sector, it is difficult to locate reliable data in terms of IR indicators, since there are no standard criteria to follow when determining the representativeness of trade unions or employer organisations. What is available largely comes from what each single social partner officially declares.

According to the social partners interviewed, union density in the sector is high: 75%-80% among the flight-related employees and 60% among the ground operations staff across occupations. A number of factors that contribute to this level of density were identified during interviews, including:

- The fact that Alitalia, until recently, was publicly owned

- A history of craft-based industrial relations, with representation through professional associations
- The unique nature of the airport as a community, or its own city (often located outside of major urban centres), in which employees across occupations share a common sense of belonging, due to the unique nature of the workplace itself.

The collective bargaining rate is variable and depends on the specific part of the value chain. As we will see later when describing the structure of collective bargaining, each part of the aviation value chain has its own national-level collective bargaining agreement (carriers, airports, ATM, handling and catering), organised as separate and independent agreements under one common, introductory “general part.” This model, unique in Italian IR, represents the social partners’ aim of developing a collective bargaining approach that covers the entire air transport value chain (“air transport CBA”). While 2008 is the watershed year in IR in the sector, the shift toward coordinated collective bargaining for the air transport sector began following the contentious 2005 negotiations, which required the intervention of the Ministry of Transportation to get the social partners to an agreement. The percentage of total employees covered by the CBA is high in all areas, with the exception of the carriers: here the CBA essentially only covers employees of ITA (former Alitalia), since most of the low cost carriers do not participate in collective bargaining, preferring to unilaterally apply company employment policies. In the rare cases in which a low cost operator does participate in collective bargaining, the relevant national-level CBA for the sector is not applied; rather a company-specific Agreement is negotiated (this is the [recent] case of EasyJet and Ryanair).

The main actors

This is an area of significant transformation in recent years, with changes in employee representation driven by the privatisation of Alitalia/ITA. As a result the trade unions in the aviation industry have radically changed their representativeness. As we have already stressed, the year 2008 represents a turning point in industrial relations in this sector, marking the end of a model driven by the role of autonomous craft unions in the sector, and the move toward a confederal model, more typical of IR in Italy’s private sector, in which the different occupational groups, together, in a sector are represented by a single trade union organisation.

The main trade union organisations representing workers in the aviation value chain are:

Affiliated with confederations

- Italian Federation of Transport Workers (*Federazione italiana lavoratori trasporti, Filt*) affiliated with Cgil;
- Italian Transport Federation (*Federazione Italiana Trasporti, Fit*) affiliated with Cisl;
- Italian Union of Transport Workers (*Unione Italiana dei Lavoratori dei Trasporti, Uilt-Uiltrasporti*) affiliated with UIL;
- General Union of Labour – Transport sector (*Unione Generale del Lavoro – Trasporti, Ugl Trasporti*) affiliated with UGL;

Autonomous (craft) unions

- National Association of Flight Attendants (*Associazione Nazionale Professionale Assistenti di Volo, Anpav*);
- National Association of Civil Aviation Pilots (*Associazione Nazionale Piloti Aviazione Commerciale, Anpac*);
- Air Traffic Management Professional Project (ATM-PP – formerly the Italian League of Air Traffic Controllers (*Lega Italiana Controllori Traffico Aereo, Licta*), the National Association of Air Traffic

Controllers and Assistants (*Associazione Nazionale Professionale Controllori e Assistenti Traffico Aereo, Anpcat*),

- The Italian Confederation of Autonomous Workers – Flight Attendants (*Confederazione Italiana Lavoratori Autonomi – Assistenza al Volo, Cila-Av*) and Sacta.

In the air transport industry, there are also forms of rank-and-file unionism (“autonomous” or “base” unions, unaffiliated the main confederations and not organized on the basis of craft) that, thanks to their inter-sectoral structure, are able to spread and activate more quickly in times of tension and conflicts.

Only Filt-Cgil, Fit-Cisl, Uiltrasporti and Ugl-Trasporti signed both the specific-sector collective agreements for each part of the value chain (carrier, ATM, handling, airport and catering) and the Air Transport CBA at the national level. At the national level, the collective bargaining in the sector is conducted only by union federations affiliated with national confederations. The autonomous unions adhere to national CBAs even though they are not signatories. If they do participate in collective bargaining, it is only at the company level.

According to the social partners we interviewed, at the national level and along the entire value chain Filt-Cgil and Uiltrasporti each represent about 30% of all air transport employees, for a total of 60%, and are therefore the most representative. Additionally, Fit-Cisl (about 15%) and Ugl (7-8%) represent about 15% and 8% of employees, respectively. Despite Ryanair’s hostility to unions and collective bargaining, union density—though lower than the sectoral average—is relatively high, at about 50%, at the low-cost market leader.

In recent years, the representativeness of autonomous unions and professional associations has declined, following the privatisation of Alitalia in 2008. This shift can perhaps be explained by the traditional autonomous unions’ failure to shift their strategy toward a cross-occupational approach (which would have, in effect, required them to abandon a craft approach, essentially adopting a confederal approach) as well as the deliberate strategy of the traditional Confederal Unions to welcome more highly professional occupations among their ranks as they shifted toward a model of representation that includes the entire air transport value chain through a more inter-professional, or confederal, approach—the dominant model for IR in the Italian private sector. If bargaining has taken on a more cross-occupational nature, the character of the labor federations themselves has also shifted: with the increase in the share of highly-skilled occupations represented leading to a more inter-class culture. An anecdote from one of the interviews illustrates this change:

“When I began working in Cgil, union assemblies were conducted separately for each occupation. I put them all together and when we held union meetings I mixed them [the delegates across occupations] and they discovered that they are friends and that they get along with each other. They created a sense of unity that we didn’t have before. Before there was a lot of mistrust and prejudice among individual professional groups. The first time I put them together at the same time in the same room, the pilots were in the first row, cabin crew behind them, and the ground services in the last row, the same dynamic you find on an airplane. Now they know each other and they have a common sense of belonging, a sense of community...”

Membership in employer associations is a voluntary decision for companies in the private sector. Companies that join an employer association agree to apply the CBA negotiated by their association with unions. All the employer organisations below are signatories to the industry-wide collective agreement for its respective part of the aviation value chain as well as the “General part” of the Air Transport CBA at the national level. Employers’ organisations may be grouped in three categories depending on the type of services/activities:

- Ground services - Companies offering ground services are organised into two big employer organisations.
 - The first is the Italian Association of Airport Management (*Associazione Italiana Gestori Aeroporti, Assaeroporti*), which represents large enterprises involved in airport management and is affiliated with *Confindustria*. In Airport Management a new association has been recently established following a split from Assaeroporti: *Aeroporti 2030*, the name of the breakaway group established in 2022, represents the Airports in Rome (Ciampino, Fiumicino) and the Save Group, which manages the airports of Venice, Treviso and Verona. Together, this new association covers about 40% of all air traffic at the national level;
 - The second organisation is *Assohandlers* and it includes medium to large-sized enterprises involved in airport handling. This organisation started in 2006 on the initiative of 12 of the biggest handling enterprises. Before the liberalisation of the sector, handling activities were directly or indirectly (through subcontracting) carried out by airports or airline companies. It is not affiliated with any other organization;
 - The third organization is *Assocontrol*, the Association representing the national enterprises in the ATM sector and for direct and complementary services affiliated with ENAV.
- Air catering – these associations include enterprises operating catering services in airports, train stations, sea ports and oil rigs. They are:
 - the National Association of Catering Operators (*Associazione Nazionale Operatori Catering, Assocatering*), that is affiliated with *Confcommercio*, and
 - the Italian Federation of Catering Operators (*Federazione Italiana delle Imprese del Catering, Federcatering*) affiliated with *Confindustria*;
- Airlines - For the airlines themselves there are two employer associations:,
 - the National Association of Air Transport Carriers and Operators (*Associazione Nazionale Vettori e Operatori del Trasporto Aereo, or Assaereo*), an organisation established by the biggest Italian airline company, Alitalia. *Assaereo* is signatory to all of the agreements which Alitalia had applied to its personnel. *Assaereo* represents companies in the civil aviation industry as well and is a member of *Confindustria*. Nowadays, only ITA (the former Alitalia) is affiliated with *Assaereo*. In 2008 also other small companies were affiliated with *Assaereo* (Meridiana and AirOne) but they left when the unions started to work on the Air Transport Collective Agreement;
 - the Foreign Airlines Industrial Relations Organisation (Fairo), represents foreign carriers that operate in Italy and for the purposes of collective bargaining covers ground operations staff. None of the low-cost operators, the leaders today in the Italian air transport market, is affiliated with Fairo.

Currently, the Air Transport CBA covers about 1/3 of the 120,000 workers directly employed in the value chain. The Air Transport CBA covers all ITA (ex-Alitalia) employees as well as the ground services and catering employees described above (about 28,000). The remaining employees (which include services like security,

cleaning, duty free, etc.) are covered by other industry-wide CBAs, primarily the national multi-service collective agreement²⁴, or are not covered by any industry-wide CBAs.

Forms of employee representation

As described in the first part of this report, there are two types of workplace representation structure in Italy. The *Rappresentanze Sindacali Aziendali (RSA)*, introduced following the factory council movement of the 1960s by the 1970 Workers' Statute, is directly appointed by unions, with a single RSA representing only members of that union. As such, there may be multiple RSAs present in a given firm. These structures engage in collective bargaining at the company level. The tripartite agreement of 1993 introduced an additional structure, the *Rappresentanze Sindacali Unitarie (RSU)*. Designed to replace the RSA overtime, the RSU is a unitary structure, elected on the basis of universal suffrage in the workplace, with employees voting for specific delegate lists proposed by the representative union organisations. Today, both structures can be found in Italian workplaces. Based on the interviews, the RSA appears to be the most prevalent workplace representation structure in the air transport industry. This can be explained by a number of factors, including the legacy of public ownership in the industry, through Alitalia, the traditional strength of craft unions and the fact that the RSA, in the context of decades of continuous restructuring in the industry, provide labor organisations with greater flexibility and capacity to respond to such changes. that has seen continuous restructuring in recent decades, can provide labor organisations greater flexibility and the capacity to more effectively respond to such changes.

Collective bargaining

Collective bargaining in the air transport industry can be split in two periods, with 2008 representing the key turning point. After long-running financial difficulties and the withdrawal of the Air France-KLM acquisition offer (at first supported by the centre-left Government of Romano Prodi, then opposed by the centre-right government that followed, led by Silvio Berlusconi), in 2008 Alitalia was taken over by a consortium of Italian investors (the Italian Airline Company CAI)²⁵, restructured and relaunched²⁶.

Before 2008 the system of collective bargaining in the sector was particularly fragmented: unlike the rest of the private sector, there was no industry-wide collective bargaining agreement for the air transport sector, let alone a CBA covering the entire aviation value chain. For flight-related personnel and ground staff of some of the big airline companies, bargaining was carried out exclusively at the company level by means of a single-employer agreement: each company bargained specific company contracts directly with the trade unions or associations covering the pilots, flight attendants and ground staff. In this context, the negotiations between Alitalia and trade unions set the tone for IR in the sector. As already mentioned, in this model, the autonomous unions representing highly skilled employees like pilots were the dominant actors in terms of

²⁴ The agreement covers a wide range of services: from cleaning to sanitation, from restaurant services to transportation, from administrative services to operative services. The collective agreement has been specifically conceived to embrace

²⁵ The Italian Airline Company (CAI) was set up by a large group of Italian entrepreneurs led by Roberto Colaninno, owner of the scooter manufacturer Piaggio. CAI presented its industrial plan to the government and trade unions. The plan foresees that the new airline company would buy the activities of both Alitalia and Air One. Furthermore, it would maintain the Alitalia brand name and organise its operations network around six airports in Catania, Milan, Naples, Rome, Turin and Venice. However, the plan also provides for reductions in the size of the airline fleet, from 220 to 137 aeroplanes, and in the number of routes, down to 16 intercontinental routes and 49 routes between Italy and Europe.

²⁶ Agreements reached in September 2008 after difficult negotiations with trade unions provide for a slimmed-down workforce of 12,500 persons, with 3,250 redundancies. The redundant staff received state financial support, although numerous fixed-term workers have not had their contracts renewed and were not eligible for any support measures. The deal also provides for changes in terms and conditions of employment, and pay reductions for some groups of staff.

the labor side. The situation was different for workers in companies which were only involved in ground services. In these cases, multi-employer, national collective agreements were the norm²⁷.

According to interviews, the idea of a moving toward a master-contract for the value chain was born out of conversations between the labor confederations and Assaeroporti following the highly contentious 2005 negotiations. This idea took form in 2008 when the trade union federations affiliated with the national confederations (Cgil, Cisl, Uil and Ugl) began work on an inclusive platform (the Air Transport CBA) consisting of a common “general part” and six different, independent sub-agreements, specific to each sector, negotiated with the respective employer association (*Assaeroporti, Assaereo, Assocontrol, Assohandling, Federcatering and Fairo*). The first Air Transport CBA was signed in 2010 by only three employers’ associations (*Assaeroporti, Assohandlers and Assocatering*). In 2013 signatories expanded to include all employers’ associations (*Assaeroporti, Assaereo, Assocontrol, Assohandling, Federcatering and Fairo*), with the first renewal signed in 2019. The general part of the platform is signed by the Union Federations (Filt-Cgil, Fit-Cisl, Uiltrasporti and UGL – Trasporti) affiliated with the main national Union Confederations and, on the company side, a negotiating team made up of the six sector-specific employers’ organisations. Each single sector-specific collective agreement, instead, is signed by the respective employers’ organisation and the same group of Union Federations (Filt-Cgil, Fit-Cisl, Uiltrasporti and UGL – Trasporti) that are signatories to the general part. Autonomous unions do not sign any part of the Air Transport CBA at the national level. In the Italian context, characterised by a two-tier structure, the Air Transport CBA is fairly unique since it includes, in practice, two types of national level agreement: the “General Part” of the Air Transport CBA and the six independent, sector-specific CBAs, one for each employers’ organisation (*Assaeroporti, Assaereo, Assocontrol, Assohandling, Federcatering and Fairo*). These two primary-level agreements are followed by agreements then negotiated at the company level, for a total of three levels of collective bargaining (National General, National Sector-Specific, Company Level).

The sector-specific parts of the contract are negotiated independently of each other by the agents in those sectors, each with its own expiration date. In terms of contents, the “General Part” of the Air Transport CBA at the national level is more focused on general issues (industrial relations model, social rights, information and consultation practices, labour contracts and labour relations and pension funds) while the sector-specific sector collective bargaining deals with more core negotiation issues (wages, working conditions, working time, work-life balance instruments, union rights, professional schemes and welfare)²⁸. In a model reminiscent of the “pattern bargaining” in the American automotive sector, the first of the sector-specific sub agreements to be negotiated is with the airport operators, who represent the most resource-rich portion of the value chain, with the remaining sectors following.

While the social partners interviewed often speak of the above model as a “value chain” CBA, perhaps it would be more accurate to describe this as an attempt to better coordinate and rationalise collective bargaining within the sector. While this may lead to a true, single contract for the entire value chain in the future, the current reality—for all of its innovative aspects—seems far from this vision.

Even though the low-cost airline companies do not apply the national, sector-specific collective agreement (the CBA covering airlines), and in spite of Ryanair’s hostility to collective bargaining, there are now two company-level collective agreements signed between some unions and Ryanair and EasyJet, the main low-

²⁷ Rinolfi Vilma and Paparella Domenico (2010), [Representativeness of the European social partner organisations: Civil aviation in Italy](#), Eurofound.

²⁸ With regard to contractual issues, it should be pointed out that wages of flight-staff is based on flexible parameters related to flight-hours. That depends on the strong seasonal trend of passenger air traffic and the need of guaranteeing a high-productivity throughout the year.

cost carriers in the Italian market. However there is a significant difference between the two company-specific CBAs: while the agreement with EasyJet was signed by the three main trade union federations affiliated with the national confederations (Filt-Cgil, Fit-Cisl and Uiltrasporti), the 2018 agreement with Ryanair (the only case in Europe) included only 2 craft unions (ANPAC and ANPAV) and 1 union federation (Fit-Cisl) as signatories. The Ryanair agreement covers all Italian-based cabin crew and pilots. Filt-Cgil and Uiltrasporti have chosen a different strategy than Cisl with regards to Ryanair and are currently challenging Ryanair's compliance with national law in the courts, with Filt-Cgil and Uiltrasporti suing Ryanair for anti-union behaviour. The two unions received a favourable decision from the judge, who determined that the company was required to apply the national collective bargaining agreement, a decision rejected by Ryanair which continues to refuse to apply the national-level CBA.

The interviews with the trade unions have highlighted that negotiations with EasyJet, aimed at bringing this carrier under the national, sector-specific collective agreement have only recently started, and that EasyJet appears to be bargaining in good faith (they have an interest in joining the common CBA). With Ryanair, instead, all attempts seem to be futile. One reason for this challenge, according to some of our interviewees, is the profile of a "typical Ryanair worker," who tends toward short-term, temporary or seasonal employment (for many pilots, for example, Ryanair is seen simple as a way to gather flight experience before transitioning to another carrier). In this reality, unionisation efforts are structurally more difficult given the level of staff turnover.

As mentioned in Part 1 of this report, plurality of representation has led to an explosion in the number of CBAs in Italy. For example, in the service sector alone, there were 282 separate active national collective bargaining agreements in 2019.²⁹ In this regard, the air transport sector stands out in terms rationalisation, aside from the company-specific agreements with RyanAir and EasyJet, at the national level there is one general contract for the industry, with 6 sector-specific agreements.

The relationship between Industrial Relations and legislation

Despite liberalisation and privatisation, air transport is still considered a public service under Italian regulations. Further, this sector has been traditionally dominated by national players. Given the dynamic nature of the sector, the relationship between legislation and industrial relations have taken on different forms over the years:

- Perhaps the single biggest impact on IR was the privatisation of Alitalia in 2008, in the context of the overall liberalisation process in the sector. In this case, different policies have been put in place by Parliament with the goal of weakening Alitalia's³⁰ dominant position in the national air transport market, paving the way for low-cost operators to dominate the market. According to the interviews, the first real opening to low-cost airlines dates back to the year 2000, when domestic flights became accessible for all carriers without distinction and limitations. The effects of liberalisation have been wide ranging with impacts for all actors, not just the carriers: the Legislative Decree 18/99 regulated the liberalisation of handling services and triggered the entrance of new players into the market with the emergence of a

²⁹ [14th Periodic Report on Active National Collective Bargaining Agreements Registered in the CNEL Archive](#), CNEL

³⁰ In order to facilitate the restructuring of Alitalia in 2008 the centre-right Government introduced some legislative measures on the basis of which Alitalia's active assets were concentrated into one society, that was put up for sale, whilst all its liabilities, debts, non-remunerative activities and excess staff flowed into one "bad company".

new employers' association (*Assohandlers*): formerly handling services were included in *Assaeroporti* or covered by Alitalia's CBA;

- In 2001 one, Title V of the Italian Constitution, which regulates the relationship between the central State and regional governments, had a direct impact on the sector as well. The management of airports falls within the matters of concurrent legislation between the state and the regions. All the interviewees consider the legislative decentralisation with regard to airports as one of the main reasons for the lack of a national systemic vision in the air transport sector, resulting in increased competition among airports for routes, particularly for low-cost routes. This was a dynamic highlighted in particular by trade union leaders.³¹;
- In 2003, the Guarantee Authority for the Implementation of the Law on Strikes in Essential Public Services (*Commissione di Garanzia per l'attuazione della legge sullo sciopero nei servizi pubblici essenziali*) defined together with the main trade union confederations the rules³² to be observed in the event of a general strike (law 146/1990) called by union confederations (strikes for "political reasons");
- Under pressure from the national Union Federations, and as a reaction to the social dumping practices of low-cost operators, the Government (Conte Government II) introduced law n. 77 of 17 July 2020, requiring that all air carriers operating in Italy guarantee their employees a remuneration not lower than the minimum established by the relevant National Collective Agreement signed by the most representative national employer and trade union organisations. In order to effectively implement this policy, operational protocols are required between ENAC and the social partners, with negotiations currently suspended, according to interviews, because the employers' associations benefit from a competition based on social-dumping based practices among carriers.

The main tensions and conflicts

Strike data in the Air Transport sector since 2014 can be found online by consulting the Transportation Ministry's website. According to this data, since 2014, there were more than 500 national strikes. Of these, 200 were 24-hour-strikes, 45 of which were called for jointly by Filt-Cgil, Fit-Cisl, Uiltrasporti and Ugl-Trasporti. 2017 and 2019 saw the most number of strikes, 96 and 95 respectively. According to the Transportation Ministry's database, 75 national strikes involved Alitalia, while 18 involved EasyJet and 7 Ryanair.

The main tensions and conflicts in terms of industrial relations are certainly related to the former national legacy carrier Alitalia (now ITA). During its long restructuring process, total employment in Alitalia was cut in half over a ten-year period (from about 22,000 employees in 2008 to about 10,000 today), with a worsening in working conditions, primarily in terms of remuneration, for all occupations. Conflicts and tensions have therefore been a hallmark of the Alitalia restructuring process:

- in 2008 the industrial plan of the Italian Airline Company (CAI), strongly encouraged by the centre-right Government, was initially rejected by some of the trade unions before finally being accepted. The negotiations led to a deterioration in relationships among Cgil, Cisl and Uil. The final framework agreement, signed between the Government, CAI and 10 trade unions operating at the sectoral level, provided for: cutting 3,250 jobs (with terminated employees eligible for support from an

³¹ IATA ([International Air Transport Association](#)) estimates that the Italian airport system pays out to low cost airlines around 500 million every year

³² In case of a general strike, the sectoral union organisations must respect the provisions of the 1990 law regarding the interval between a strike call and the start of the strike and between two strikes, the statutory conciliation and cooling-off procedures, the minimum services guarantee.

extraordinary Wage Guarantee Fund); a single contract covering three distinct contractual areas for each category (pilots, flight assistants and ground staff); and a monthly salary reduction of 6-7% for pilots and flight assistants (with no wage cuts for workers earning between €1,200-1,300 a month);

- in 2014, Etihad took a 49% stake in Alitalia. In 2017 Alitalia announced 2,037 job cuts by the end of 2019 throughout its operations, affecting ground staff, flight attendants and pilots. Previous waves of job cuts occurred in 2014 and 2015. Trade unions staged angry protests against the plans, organising strike actions and calling for the package to be revised in order to avoid job cuts. A deal was subsequently negotiated with the airline's trade unions, reducing the proposed reductions in personnel and limiting wage cuts to 8% (instead of the original proposal of wage reductions as high as 30%). Alitalia's workforce rejected this revised deal in early May of that year by a 67% majority, and the airline entered into bankruptcy proceedings;
- in 2021, the union federations called two general strikes to push the new Government, led by Prime Minister Mario Draghi, to redesign the national investment plan in the aviation sector, which is still in deep crisis.

Industrial actions have been organised also to contrast unfair company behaviour at the low-cost airline companies. Specifically, in 2018 and 2019 Filt-Cgil and Ultrasporti called two strikes to push Ryanair to introduce a company-level collective agreement to replace management's unilateral employment policies, which resulted in the company abandoning an anti-union clause from their policies, which had allowed for termination of any employee who came into contact with with labour organisations.

Conclusions: the main changes in the sectoral Industrial Relations System

Recent decades have seen profound changes in the Italian airline sector, with equally profound transformations in the IR system. The primary focus of bargaining in the sector has shifted from Alitalia to the airport operators, while new employer associations covering different sectors along the value chain have emerged, and the IR system has become more inclusive and coordinated. On the labor side, the role of autonomous professional unions has diminished since 2008, with an increase in the importance and representativeness of the main sector-based labor federations. At the same time, the policies of low-cost operators with regards to employment and collective bargaining have exerted downward pressure on wages and working conditions, and have attempted to push the focus of bargaining toward the company level.

A major driver of these changes has been, and in some ways continues to be, Alitalia (now ITA). The difficult negotiations surrounding the flagship carrier's restructuring, and consequent political implications, have negatively influenced the IR climate as well as the relationships among the trade union organisations. Beyond its effect on the culture of IR, it was Alitalia's privatisation and transformation into ITA that facilitated the entrance into the market of new actors (low-cost companies) and upended the balance of power among employer associations. According to trade unions, airport management companies have also benefited from the absence of a single national carrier in the sector: with the increased competition among a greater number of carriers, primarily the low-cost airline companies, representing new opportunities for airports. All of this has resulted in a balance of power within the air transport value chain that is radically changed, with consequent impacts on the IR system. Furthermore, the disappearance of Alitalia as a national carrier has exposed the weakness of the Transportation Ministry in the sector. Prior to 2008, the flagship carrier provided the kind of strategic leadership, organisational experience and professional knowledge typical of the role played by the Ministry in other sectors. 13 years after Alitalia's privatisation, there is still no specific structure/department to support industrial planning or coordination in the air transport sector, nor to support industrial labour relations.

In the face of the radical changes in the industry, which tend toward increased fragmentation, the main response of the actors in the IR system has been twofold:

- On the part of the social partners, a convergence toward a single sectoral collective bargaining system which organizes under a common, general agreement all the employer organisations representing the air transport sector;
- On the part of labor, a more inter-professional (confederal) approach, with the aim of developing a common sense of identity among airport workers across occupations, with the consequent decline of the weight of craft unions.

If the main driver toward a “value chain” agreement and system of IR have been the labor federations, this push has been looked upon favorably by the employer associations. As resources in the value chain shifted from Alitalia to the airport operators, *Assaeroporti* became concerned about its ability to represent the new balance of power within the value chain in negotiation with the union actors then dominant in the sector: the autonomous craft unions, representing highly skilled airline employees. A more appropriate negotiating partner, from *Assaeroporti*'s perspective, were the labor federations which, prior to 2008, were much more representative of airport-based, lower-skilled employees. *Assaeroporti*, then, was eager to establish the labor federations as their primary bargaining partners in negotiating the airport CBA. These changes coincided with a strategic shift on the part of labor federations to develop an inter-professional approach (confederal) in representing workers along the value chain. As a result of these converging forces, bargaining in the industry shifted toward the airports, with the consequent strengthening of the role of the labor federations within the IR system. Today, the first of the sector-specific sub-agreements to be negotiated for Air Transport is in fact the part covering airports, and the labor federations under CGIL, CISL, UIL and UGL have become increasingly more representative of the highly skilled occupations, at the expense of the autonomous craft unions.