



Varieties of Industrial Relations in Aviation Lockdown (VIRAL)



## WP 4: Impact of Covid-19 on working conditions and industrial relations in the air transport sector in Europe

The european dimension

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# Impact of COVID-19 on Civil Aviation

One of the sectors most severely hit by the Covid-19 pandemic (in terms of both airline activity, activity at airports and the activity of suppliers of air navigation services).

Travel restrictions, lockdowns and restrictions on movement grounded a high proportion of the air fleet and aircrew. According to the International Civil Aviation Organization (ICAO) data, there was **more than 52% drop** in air traffic in Europe compared to 2019.

Aviation accounts for around **5 million jobs** in **the EU** and contributes up to **EUR 300 billion to European GDP**, or 2.1%, according to the Commission.

# EU Institutional framework

EU played a key role in managing the systemic shock:

**\*measures related to public health** (vaccination strategy, supply of medical equipment, protective equipment, etc.)

**\*support for the economy, businesses and employment:**

Next Generation EU (EUR 750 billion): in place until December 2022

SURE programme (EUR 100 billion)

European Stability Mechanism (EUR 540 billion)

Pandemic Emergency Purchase Programme (PEPP) (EUR 1 850 billion)

Action taken by the European Investment Bank (EIB) and redirection of some structural funds

Temporarily suspension of the Stability and Growth Pact and rules prohibiting state aid

**All these measures helped to mitigate the impact on economic activity and on certain sectors in particular**

## At cross-sectoral level

On **16 March 2020**, the social partners (ETUC, BusinessEurope, CEEP, SMEUnited) made a **joint statement** on the emergency caused by the pandemic.

It stated **its support for the measures** announced by the European Commission and the European Central Bank to counter the economic impact of the coronavirus and urged the Member States to approve and swiftly implement the **measures and to involve the social partners at national level.**

<https://www.etuc.org/fr/node/18798>

# The European sectoral social dialogue (ESSD) during the pandemic

- A tradition of intense social dialogue in the civil aviation sector
- The harsh challenge of the pandemic
- A responsive social dialogue
- Topics addressed: protection of health and safety; continuity of cargo flights; safeguard of employment; stress related diseases

## 4 Joint «COVID» texts in the Civil aviation sector during 2020

- **27/03/2020** Effects of Covid-19 and need for action in European aviation. Joint appeal to the EU institutions and the Member States
- **13/05/2020** Covid-19 European airports, transport workers and aviation suppliers call for urgent support in joint statement
- **21/09/2020** Statement to the Council by the Social Partners in the Civil Aviation Sectoral Social Dialogue Committee on the response to Covid-19
- **22/10/2020** Joint Statement by the European social partners in Civil Aviation on payroll support schemes for aviation in response to the Covid-19 pandemic

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**27/03/2020:** In **addition to the EASA safety** directives, draw up new, **coordinated hygiene protocols** for staff and passengers.

Ensure a **minimum level of connectivity** and keep European airspace open for emergency services and repatriation flights; use travel bans only as a last resort.

**Support the sector and jobs:** flexible approach to **state aid**, abolition of **aviation taxes**, **protection of workers** (including the **self-employed** and those in insecure job) against unemployment and loss of income, relaxation of slot allocation rules.

**13/05/2020:** Extend the validity of **ground handling licences** for three years and grant temporary licences (organizations representing airport, air service providers, workers): observations for the European directive on ground handling services

**21/09/2020:** **Harmonise national measures** and practices to facilitate operational planning (deep concern over the current patchwork of closed or open borders within the EU)

In order to regain trust, put **harmonised measures** in place to ensure Covid secure conditions on board and on the ground are in compliance with Covid related requirements (possible lift of restrictions measures from the 1 July )

At European level define **criteria for a risk-based consideration of third countries** and the lifting of associated entry bans.

**22/10/2020:** **Continue payroll support schemes** specific to the civil aviation sector through **sector specific arrangements where appropriate in order not to endanger employment and the European transport infrastructure** (second wave of covid : need to transport vaccines when ready: "largest single transport challenge in history requiring the equivalent of over 8 000 747 cargo aircraft". IATA). According to the SP, the best case scenario is likely a 3-5 year phased return to pre-Covid travel demand, against the backdrop of a global recession.

## some evidence of vitality of ESSD

- Pandemic has triggered an **exceptional number of joint texts within ESSD (51)**
- Public authorities **managed the pandemic on a sectoral basis (opening or closure of sectors)**; some sectors became the main adjustment variables in the pandemic
- **Systemic impact** of the crisis across all economic activities
- **Priority of social partners is to save business, jobs, sectors and European economy** by requiring to the public authorities health measures, economic measures, social measures, measures for recovery and transition



# Which role for the social partners during the pandemic?

\*They expressed criticism on patchwork of national rules and standard

The pandemic has shown that the **sector, even if highly Europeanised**, still have to grapple with **great differences between national policies**

\*But, in contrast to the 2008 crisis, the Covid crisis has provided evidence of the **vital nature of social dialogue, good working conditions and employment support measures** (health, training, involvement in decision-making processes)

\*So, the pandemic seems to have **revitalized the European social dialogue** (Degryse, Etui, 2021) illustrating the usefulness and inclusivity of social dialogue

**The joint lobbying** of the social partners on European and national institutions also manifested in their **joint Action Plan 21 May 2021**, the latest fruit of the sectoral social dialogue in Civil aviation.

In their Joint Action Plan on safely resuming travel during COVID-19, the signatories organizations indicates 4 stage:

1. Facilitate free movement through a **Digital Green Certificate**
2. Prioritise **air crew in the vaccination** roll-out
3. Implement **a coordinated European approach** for aviation personnel
4. **Extend payroll support programmes**

# Last recommendation not followed ...

In particular, the last point emphasizes that “aviation workers are **highly skilled professionals** and must be **regularly trained / assessed** to ensure they remain current. Having aviation in a turnkey state to transport a Covid-19 vaccine and to support the larger EU-wide economic recovery, requires trained workers with valid licences when demand returns for air travel.

In this regard, **an extension of payroll supports by Member States** will **help secure thousands of jobs** which will allow aviation stakeholders to scale up to support Europe’s economic recovery as travel restarts.

Conversely, **any removal or restriction of payroll supports by Member States will threaten jobs and employment.** T

The European Social Partners in Civil Aviation therefore **urge Member States to continue their payroll support schemes for all aviation workers** (both airline personnel and also people working on the ground, such as at airports or groundhandlers), including **through industry specific arrangements where appropriate**, to support the aviation sector and its employees **until at least 2024**, or such a time that a sustainable level of air traffic returns to European skies”.

## information and consultation rights not properly implemented at company level during the pandemic

Some examples:

- Exclusion of UK representatives from the IAG Work Council Group because of the Brexit
- Many aviation companies took advantage of the crisis to **degrade working conditions** and **circumvent social dialogue and consultation rights** when faced with restructuring : British Airways, Aer Lingus, Swissport and EasyJet
- Null and void **collective redundancy at Ryanair** in Tenerife Lanzarote Gran Canaria without consultation of WC (Spanish Supreme Court)
- Ewcs not involved in Covid restructuring processes and their rights ignored (some good practice in Air France-KLM EWC with virtual meeting of extraordinary consultation process on the consequences of Covid-19)

# A sudden jobless recovery?

In fact, the recovery of the sector occurred first irregularly and then suddenly in early summer 2022.

Many States did not follow the SPs' recommendation to maintain income support for workers and there were **mass layoffs** after the first lockdown phase with a strong **resurgence of social conflicts** in the sector. Many precarious workers changed jobs due to low wages, poor conditions and unsocial working patterns.

Thus, when the recovery broke out, airlines and airports find themselves with **staff shortages**.

Social dialogue at the European level became more difficult and the positions of the social partners more distant.

# no common positions on new challenges

-EU Commission's "Fit for 55 package" (July 2021)

-Sustainability and Decarbonisation of Aviation (Aviation summit, Toulouse declaration, 4 February 2022) adopted under the French presidency of the Council of the EU: it's about the resilience of air transport in the context of the health crisis, the reduction of the sector's carbon footprint and the technological and social impact of these challenges

Supported by workers'union ETF, ETUC, EFFAT, UNI Europa, IndustriAll Europe and ECA

# Fit for 55 package ETF position paper 16 March 2022

- **give voice to transport workers** who have suffered the liberalisation in the sector, the deterioration of working conditions and collective bargaining
- **Just transition:** how environmental and social sustainability can go hand in hand T
- The role to play in **mitigating the effect of climate change** by reducing CO2 and non-CO2 emissions and correctly playing its part to achieve environmental sustainability.
- ETF supports the effort to green the industry and actually calls for more ambition, it also call for **maintaining a level playing field and protecting workers' rights:** tax measures, progressive obligation to uptake sustainable aviation fuels and any other measure impacting on costs, the potential consequences on labour should always be evaluated.
- Not least, **proper training** in handling the new fuels and technologies should be in place for the ground staff workers together with an assessment of their potential damage to workers' health.

# Sustainable aviation (ETF position)

The aviation sector needs **a long-term sustainability perspective**, both from the **environmental and social** points of view.

On the one hand, workers are leaving the industry due to a lack of decent jobs. On the other hand, the industry accounts for 4.8% of total CO2 emissions. While not the most polluting economic sector globally, aviation must do its part and put forward an ambitious decarbonisation plan.

So how can environmental and social sustainability go hand in hand?



# ETF position about desirable aviation

The 2022 summer chaos filled with strike action accurately depicts the turmoil the sector finds itself in. Today, workers in the sector are faced with **low wages, long hours and precarious contracts, including agency work, zero-hour contracts and even self-employment.**

But, summer did was also a scorching hot summer due to **climate change.**

Aviation has a role to play in mitigating the effects of climate change by **reducing CO2** emissions and doing its part to achieve environmental sustainability.

Aviation workers aware that there is no work on a dead planet, and are ready to play their part, but **refuse to pay the price for green transition** with their **jobs, pay and working conditions.**

The industry needs an ambitious decarbonisation plan with people at its centre.

The ETF wants sustainable, desirable jobs for the future: jobs that are healthy to perform, pay living wages and provide quality working conditions. These jobs need to go hand in hand with reducing the industry's impact on the environment while fostering a work environment characterized by safety, just culture and democratic participation of workers.

# Sustainable aviation (ETF proposal September 2022)

- Aviation as a **public good**
- States should have a greater **democratic oversight over aviation companies** because they finance not only social protection schemes but also research to develop technological advances
- Workers need to be **included in the green transition** processes
- Workers should be **retained in their work** or, if not possible, included in robust **training programme** to prepare them to new role with equal level of pay and rights
- Airports need to revise their **governance** to become more cohesive
- **Just transition committees** should be established in all companies **to avoid massive job destruction**, planning large **professional retaining plans**

# Which possible role for EU institutions facing new challenges?

- State aid
- Common supply of energy sources
- Green transition
- Adequate minimum wage directive: will the 80% coverage rate of collective agreements required impose sectoral bargaining even where it does not exist?