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Unions take post-COVID chance to squeeze airports and airlines

The power dynamic between unions and airports and airlines has shifted in favor of labor – and they're acting.



Travel is rebounding faster than expected, creating chaos across Europe | Beate Oma Dahle/NTB/AFP via Getty Images

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Aviation unions have been handed a powerful weapon — the desire of millions of people to have a normal holiday after years of COVID disruptions — and they're not afraid to pull the trigger.

The pandemic prompted airlines and airports to slash staff — everyone from pilots to baggage handlers and security screeners — but now travel is rebounding a lot faster than expected. That's creating chaos across Europe as people wait for hours to get checked in while airlines cancel flights.

It's also putting transport unions in an unusually strong position, and they're hoping to reverse not just pandemic-induced wage cuts, but decades of attrition from cost-cutting airlines that even saw cabin crew at some airlines forced to pay for bottles of water.

The latest to walk out is the pilots' union at SAS, which went on strike on Monday, prompting Anko van der Werff, the boss of the Scandinavian airline, to cancel about half of the carrier's



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many years.

"Over the last 20 years, the sector has not valued its staff in terms of training, good working conditions, collective bargaining and social dialog," said Livia Spera, general secretary of the European Transport Workers' Federation. "The whole aviation sector was based on an unsustainable model which proved not to be resilient. So it's no surprise to us what's happened."

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COVID impact

The aviation sector is scrambling to boost staffing, but low wages for many jobs and tough conditions make it hard to attract people, and new hires have to wait weeks to get security clearance. U.K. airlines are also faced with the consequences of Brexit, which makes it difficult to hire EU nationals.

The scale of staff shortages is immense.

London Heathrow says it needs to hire 12,000 workers. Brussels Zaventem announced a recruitment drive to get an extra 1,000 employees on the books. The operator of Frankfurt airport is <u>looking</u> for 1,000 workers, saying the airport is experiencing "extreme traffic peaks."

Lufthansa has said it will cancel around 1,000 flights in July due to staff shortages. EasyJet is <u>removing seats</u> from its planes so it can fly this summer with a reduced cabin crew of three, rather than four, per plane.

Unions say the only way to get more staff is to improve pay and conditions.

"There's a shortage everywhere," said Livia. "So if I'm a worker, why should I work in an airport where I have a part-time contract of two years where I work unsocial working hours, with not-sogood working conditions and the salary is very low? If I work in a supermarket, maybe it's the same pay, but more sociable hours."

Ryanair CEO Michael O'Leary rejected the idea that the aviation industry is no longer an attractive career choice.

"I think the airlines are getting a lot of blame for supply chain shortages. At the moment, the grim experience at airports is short staffing in airport security and handling. Those pinch points will be eliminated. People are being recruited, particularly in Europe," he told POLITICO last month. Many of the problems are due to measures adopted to ride out the collapse of flying during the pandemic.

SAS fired about 500 pilots; the union says the airline is dodging its promise to rehire them by setting up a new corporate structure.

Many airlines and airports that retained staff during COVID did so by promising to not fire them in return for lower wages. Now, as travel returns to normal, unions want those cuts reversed.

British Airways staff at Heathrow last week voted to go on strike over the company's failure to reinstate the 10 percent wage cut imposed during COVID.



▲ Ryanair employees hold flyers reading 'Support our strike' as they protest at the Terminal 2 of El Prat airport in Barcelona on July 1, 2022 | Pau Barrena/AFP via Getty Images

But it's not just COVID. Unions also want pay hikes to keep up with fast-rising inflation.

A German union representing Lufthansa ground staff wants an extra €350 per month over 12 months to cushion the effects of increasing inflation.

The airline's bosses apologized to staff and customers for the travel chaos, saying they had "made mistakes" when cutting costs to cope with pandemic-related losses.

"The situation is unlikely to improve in the short term," <u>a letter from executives said</u>, adding that ramping up staffing "will only have its desired stabilising effect by the time winter comes."

All this has left passengers facing lengthy queues and cancelations. Some airports are recommending travelers turn up three hours before their flight, with Amsterdam Schiphol advising them to bring water and dress comfortably for the long lines.

Money worries

But while the aviation industry says the fast rebound in travel and ensuing disruptions are a surprise, unions have warned since the beginning of the pandemic that cutting staff was a mistake.

"Without ongoing payroll support, the industry risks being left without experienced and skilled employees, who may seek opportunities in other, faster-recovering sectors," the European Transport Workers' Federation said a year ago.

Unions say the EU or national governments could have encouraged airlines to hold on to staff by attaching strings to the billions of euros in bailouts.

They point to the U.S. COVID funding program, the CARES Act, which included provisions that said cash has to be used exclusively for paying staff.

But such calls in Europe were largely ignored, and aviation jobs were cut while government cash kept airlines flying.

Aviation survived COVID, but many carriers like SAS are battered and financially precarious, making it tough to meet union demands.

"The likes of Ryanair and easyJet and even IAG want to recruit more staff to get back to where they were, but their financial position is not always conducive to giving those pay ris Privacy Unions take post-COVID chance to squeeze airports and airlines - POLITICO

away," said Gregor Gall, a professor of industrial policy at the University of Glasgow. "Most employers, if they can, will always plead poverty. But in this situation, I think it's relatively clear cut, that they have sustained financial losses."

Despite those financial concerns, unions feel that now is the time to strike.

"There's a strength in the industrial action in the aviation sector that isn't found everywhere else," said Gall. "The services which are then not available are not substituted. If you want to fly from London to Berlin, yes you can get there other ways, but you're certainly not going to do it on the same day."

Workers at Paris Charles de Gaulle <u>plan</u> to walk out of the airport's main international hub from Friday to Sunday, demanding a general wage increase of €300 per month for all staff. A similar strike last week saw 10 percent of flights canceled.

There have already been some victories.

The Unite union won an 18 percent wage hike for cabin crew working at Heathrow for SAS, with the union warning British Airways to "take note."

Amsterdam's Schiphol airport also said it will pay 15,000 cleaners, baggage handlers and security staff €5.25 extra per hour after a strike.

Adding to union firepower, if airlines don't act to put out the fires of labor discontent, they could be hit with huge additional costs. A 2021 Court of Justice of the EU <u>ruling</u> said passengers with delayed or canceled flights due to strikes are liable for compensation.

"For trade unions, it's quite important because it's extra leverage for them to put force on airlines to agree with their demands or negotiate with them," said Pieter Pecinovsky, a lawyer specializing in employment law. "In theory, it could be very costly. They have to compensate all of their travelers."