

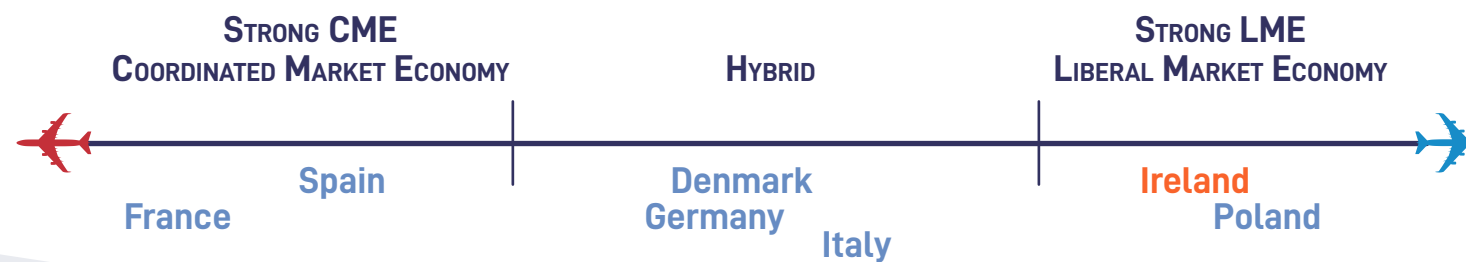


VS/2021/0188



Varieties of Industrial Relations in Aviation Lockdown

# ROLE OF STATE LEGISLATION IN INDUSTRIAL RELATION



## Industrial Relations

### COLLECTIVE BARGAINING COVERAGE

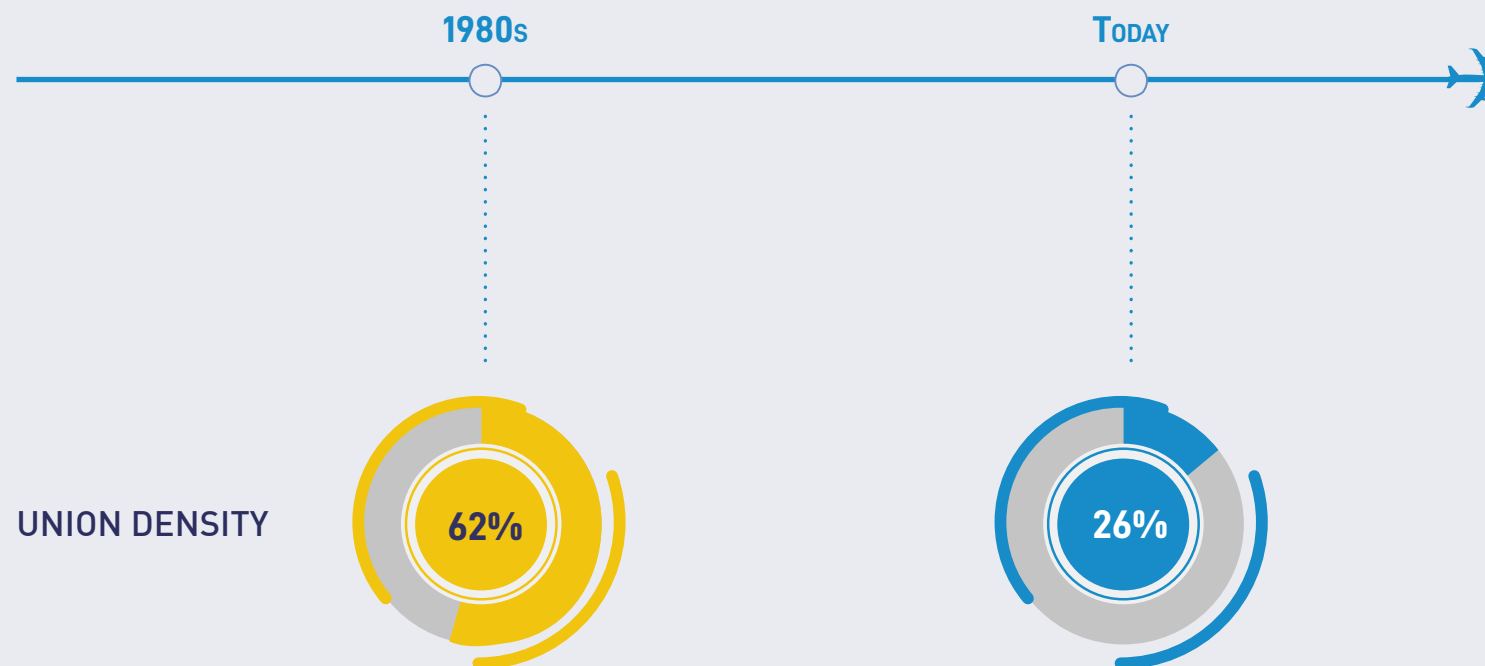
Collective bargaining is voluntarist and conducted primarily at the company level.

Legal protections are focused on the individual worker and serve to establish a "floor" of individual rights.

### LABOUR UNION REPRESENTATION

#### MAIN LABOUR UNIONS

#### ICTU (CONFEDERATION)





VS/2021/0188



Varieties of Industrial Relations in Aviation Lockdown



IRELAND

# Air Transport Sector

## AIR TRANSPORT

## INDUSTRIAL RELATIONS IN THE IRISH AIR TRANSPORT SECTOR



RANK OF IRISH AVIATION MARKET IN EUROPE (AS OF 2019)



RANK OF DUBLIN AIRPORT IN EUROPE (2019)



NUMBER OF PASSENGERS HOSTED BY DUBLIN AIRPORT (2019)



NUMBER OF PASSENGERS PER CAPITA HOSTED BY DUBLIN AIRPORT



NUMBER OF EMPLOYEES IN THE AIR TRANSPORT SECTOR



IN DUBLIN AIRPORT ALONE



TOTAL JOBS CREATED BY DUBLIN AIRPORT

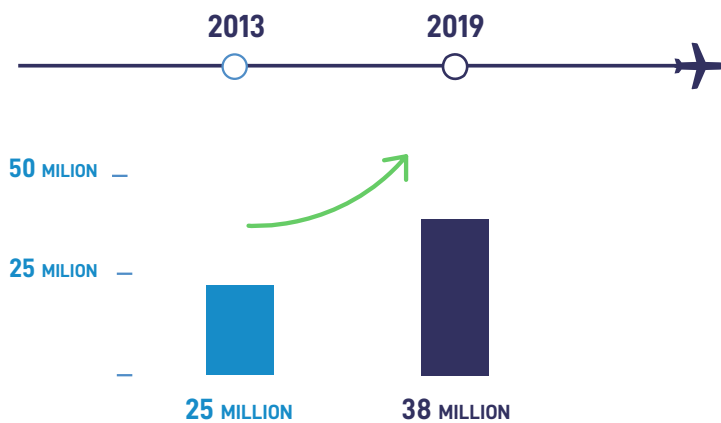
### MAIN ACTORS

Fórsa (established in 2018 as an amalgamation of the Irish Municipal Public and Civil Trade Union (IMPACT), the Civil, Public and Services Union (CPSU), and the Public Service Executive Union (PSEU).)

Irish Airline Pilots' Association (IALPA) is a branch of Fórsa

Services, Industrial, Professional and Technical Union (SIPTU)

### GROWTH IN PASSENGER VOLUMES THROUGH IRISH AIRPORTS



Flagship Carrier: **AIR LINGUS**

Year established: 1936  
Year privatised: 2006  
Year absorbed by IAG Group: 2015

Airline profitability (last fiscal year pre-Covid)

Aer Lingus: **€274.9 MILLION**  
Ryanair: **€1**

### PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENT (CBA) (ESTIMATED)

GROUND STAFF (INCLUDING HANDLING, AIR TRAFFIC MANAGEMENT)

60%

PILOTS AND CABIN CREW

80%

YEAR PILOTS' UNION RECOGNISED BY RYANAIR

2017



VS/2021/0188



Varieties of Industrial Relations in Aviation Lockdown

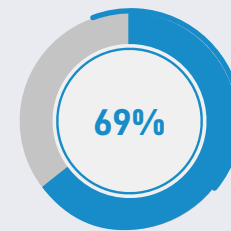
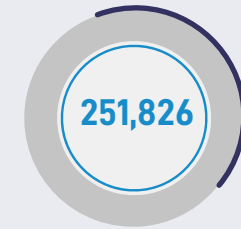
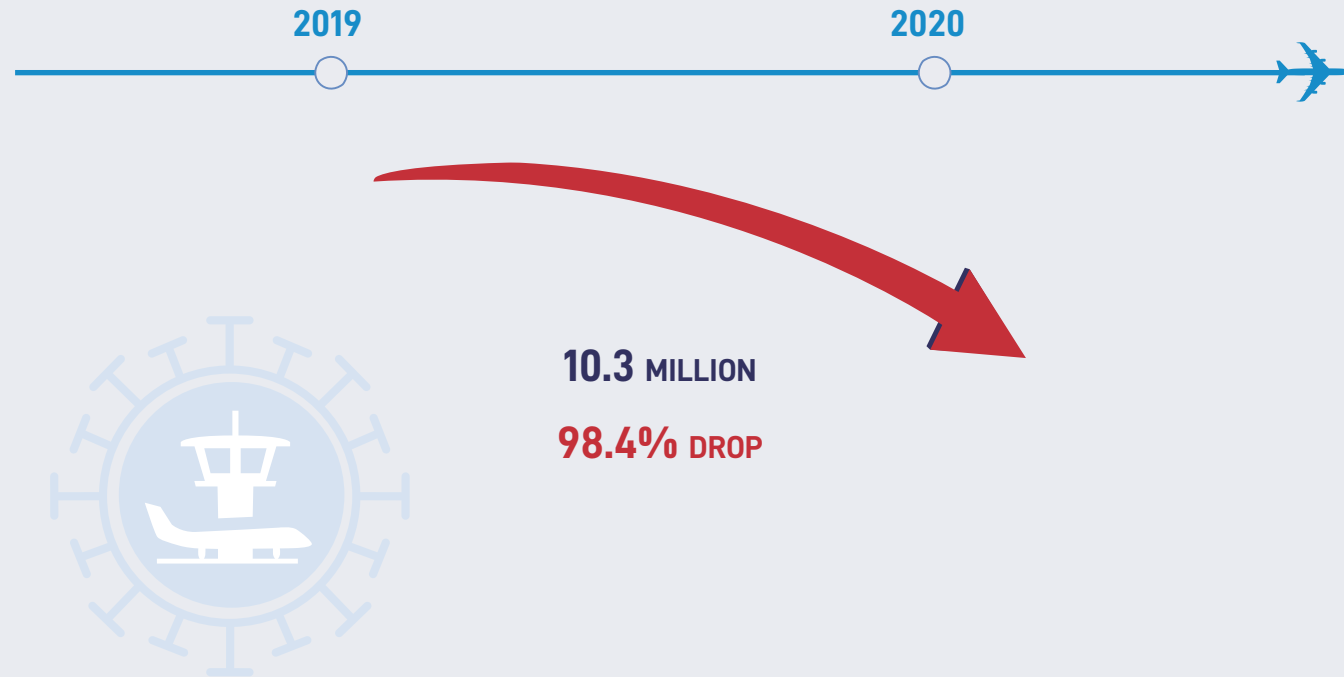


IRELAND

# Impact of COVID-19

DUBLIN AIRPORT AUTHORITY

Reduction in passenger traffic (Q2 2019 vs. Q2 2020)



JULY 2021

## IMPACT OF COVID ON AIRLINES

**AER LINGUS**

**€700m**

**RYANAIR**

**€1,015m** fiscal year ending 31st March 2021

**€355m** fiscal year ending 31st March 2022

## IRISH RESPONSE

No specific supports for the aviation sector

Labour Employer Economic Forum (LEEF), tri-partite forum activated to respond to Covid

Air Transport Sub-Group established

Return to Work Safely Protocol implemented

Dividend payment suspended for 2020 by DAA (state-owned airport operator)

State wage supports for all workers (including aviation)

Temporary Wage Subsidy Scheme (TWSS; **MARCH 2020- SEPTEMBER 2020**)

Employee Wage Subsidy Scheme (EWSS; **OCTOBER 2020 - 31 MAY 2022**)

Employers negotiated wage and hour reductions with unions, as well as voluntary redundancies



VS/2021/0188



Varieties of Industrial Relations in Aviation Lockdown



IRELAND

## Case Studies

### CRISIS COLLECTIVE BARGAINING IN A MULTI-UNION SETTING: DUBLIN AIRPORT AND COVID-19



#### MAIN ACTORS

##### EMPLOYER

Dublin Airport Authority (DAA)

##### TRADE UNIONS

SIPTU: Ireland's largest general union: ground staff, security workers in the Airport Search Unit (ASU)

Fórsa: administrative staff

Mandate: retail staff

Unite: craft workers

Connect: electricians



#### INITIAL POSITIONS:

DAA: pushed to negotiate a single Collective Labour Agreement to cover all airport workers

Trade unions: pushed to maintain separate CLAs



#### COMPROMISE

Joint agreement on a template for all CLAs

Maintain separate CLAs and conform each to common structure per the template



VS/2021/0188



Varieties of Industrial Relations in Aviation Lockdown



IRELAND

## Case Studies



### RESULTS



#### THE “QUID PRO QUO” OF JOB RETENTION AND WORK PRACTICE CHANGES

- I. No compulsory redundancies or permanent changes to core terms and conditions
- II. New Ways of Working (NWOW) plan: “follow the work” (i.e., cross-terminal working and the removal of Terminal One/Two and landside/airside demarcations); roster changes; teamworking; sanitisation; and the embracing of new technology and associated processes
- III. Voluntary acceptance of NWOW plan would guarantee workers pay and hours of 80%
- IV. NWOW workers returned to 100% pay in March 2021, all others remained at 60%



#### THE USE OF VOLUNTARY REDUNDANCIES

- I. Three options:
  - a. Voluntary severance (for those with 4 years’ service): 4 weeks pay per year of service in addition to statutory entitlements, and an allowance for educational support
  - b. Career break (for those with at least 1 year’s service)
  - c. Permanent reduced hours working (available to all)
- II. Outcomes:
  - a. Oversubscription of voluntary redundancy
  - b. 25% of staff accepted
  - c. Voluntary redundancies skewed toward more experienced workers



#### NEGOTIATION & COMMUNICATION

- I. Bargaining conducted virtually, not face-to-face
- II. DAA bypassed unions to directly communicate to workers NWOW



#### INDUSTRIAL RELATIONS DURING THE RECOVERY

- I. “Catch-up” pay increases for lowest paid
- II. 2022 agreement for 7.25% pay increase over two years
- III. Balance-of-power shifting toward labour due to skilled-labour shortages fuelled by voluntary redundancies