

Global Workplace Law & Policy

Does strengthening social dialogue fly?

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Departures							Vertrek							Départs						
TIME	DELAY	FLIGHT	DESTINATION	CHECK-IN	GATE	REMARKS	TIME	DELAY	FLIGHT	DESTINATION	CHECK-IN	GATE	REMARKS	TIME	DELAY	FLIGHT	DESTINATION	CHECK-IN	GATE	REMARKS
16 05		AZ 149	MILAN LIN	6	A	GATE CLOSED	19 15		LX 4563	GENEVA	-	A	CANCELLED	21 15		LH 5608				
16 05		TB 2963	PRISTINA	10	B	BOARDING	19 15		AY 1546	HELSINKI	-	A	CANCELLED	21 15		LH 5598				
16 05		SN 2317	GOTEBORG	-	-	CANCELLED	19 15		SN 2309	STOCKHOLM	-	A	CANCELLED	21 15		IB 5652				
16 15	17 15	BA 403	LONDON LHR	9	B	DELAYED	19 35		LO 234	WARSAW	-	A	CANCELLED	21 15		KF 2301				
16 25		EY 7247	BERLIN BER	-	-	CANCELLED	19 40		SN 3159	MILAN MXP	-	A	CANCELLED	21 15		FR 4199				
16 25		EY 7229	BERLIN BER	-	-	CANCELLED	19 40		SK 4746	OSLO	-	A	CANCELLED	21 15		TK 3032				
16 25		SN 3149	MILAN LIN	5	A	BOARDING	19 50		FR 2931	LISBON	-	A	CANCELLED	21 15						
16 35	18 00	EI 635	DUBLIN	3	B	DELAYED	19 50		LA 7093	MADRID	-	A	CANCELLED	21 15						
16 40		SN 3591	LYON	-	-	CANCELLED	19 50		OS 356	VIENNA	-	A	CANCELLED	21 15		TB 2031				
16 45		LH 2289	MUNICH	5	A	CANCELLED	19 55		RO 374	BUCHAREST	-	B	CANCELLED	21 15		KL 1720				
16 50		SN 2095	LONDON LHR	-	-	CANCELLED	20 10		KM 421	MALTA	-	A	CANCELLED	21 15		TB 2761				
17 10		SN 2627	HAMBURG	-	-	CANCELLED	20 10		FS 1643	OSLO	-	A	CANCELLED	21 15						
17 20		EZS1536	GENEVA	-	-	CANCELLED	20 15		LX 789	ZURICH	5	B	CANCELLED	21 15		TB 1013				
17 25		VY 8983	BARCELONA	-	-	CANCELLED	20 20		FB 408	SOFIA	-	B	CANCELLED	21 15		SN 2711				
17 35		AT 833	CASABLANCA	7	B	CANCELLED	20 30		SK 2590	COPENHAGEN	-	B	CANCELLED	21 15		SN 315				
17 45		OS 354	VIENNA	5	A	CANCELLED	20 40		SK 9339	ZAGREB	-	B	CANCELLED	21 15						
17 55		TP 649	LISBON	-	-	CANCELLED	20 45		VY 2151	MALAGA	-	A	CANCELLED	21 15		BA 3				
18 05		LH 1017	FRANKFURT	5	A	CANCELLED	20 45		SN 2815	PRAGUE	-	A	CANCELLED	21 15		LH 5				
18 05		TK 1940	ISTANBUL	-	-	CANCELLED	20 50		SN 3151	MILAN LIN	-	A	CANCELLED	21 15		OS 1				
18 05		BA 399	LONDON LHR	-	-	CANCELLED	20 50		TP 7472	OSLO	-	A	CANCELLED	21 15		LH 2				
18 10		XQ 933	IZMIR	-	-	CANCELLED	20 50		SN 3207	VENICE VCE	-	A	CANCELLED	21 15		LH 3				
18 20		SN 3183	ROME FCO	-	-	CANCELLED	20 55		LH 5509	BERLIN BER	-	A	CANCELLED	21 15		LH 4				
18 25		SN 3705	BARCELONA	-	-	CANCELLED	20 55		TP 7484	GOTEBORG	-	A	CANCELLED	21 15		AA 5				
18 40		SN 2589	BERLIN BER	-	-	CANCELLED	20 55		LH 5566	MADRID	-	A	CANCELLED	21 15		SN 6				
18 45		A3 623	ATHENS	-	-	CANCELLED	21 00		TP 7450	BUDAPEST	-	A	CANCELLED	21 15		LDT 7				
18 55		UX 1174	MADRID	7	A	CANCELLED	21 00		LH 5585	HAMBURG	-	A	CANCELLED	21 15		SN 8				
19 00		SK 1590	STOCKHOLM	-	-	CANCELLED	21 00		SN 3593	LYON	-	A	CANCELLED	21 15		SN 9				
19 05		SN 2647	MUNICH	5	A	CANCELLED	21 05		KM 2282	COPENHAGEN	-	A	CANCELLED	21 15		SN 10				
19 05		SN 2907	VIENNA	-	-	CANCELLED	21 05		SN 3675	TOULOUSE	-	A	CANCELLED	21 15		SN 11				
19 10		SN 2617	FRANKFURT	-	-	CANCELLED	21 10		EZS1538	GENEVA	-	A	CANCELLED	21 15		SN 12				
19 10		BT 604	RIGA	-	-	CANCELLED	21 10		AS 3014	MANCHESTER	-	B	CANCELLED	21 15		SN 13				
19 10	20 15	30 114	TANGIER	8	B	DELAYED	21 10		SN 3603	MARSEILLE	-	A	CANCELLED	21 15		SN 14				

EU aviation sector social dialogue

On 25 January 2023, the European Commission published its proposal for strengthening social dialogue. In this post, we argue that EU aviation is a pivotal sector in which social dialogue must not only be utilised, but also flourish. Our argument draws from the way in which this sector has lurched from crisis to crisis in the 21st century's fledgling years. Consider that in the 21st century alone, aviation has faced several crises: the attacks on the United States of 11 September 2001; the 2010 Eyjafjallajökull (Iceland) volcanic eruption; SARS; Covid-19; the war in Ukraine (which is on-going). Strong social dialogue must be in place as the sector faces foreseeable challenges, notably climate change.

We are hopeful, but not optimistic about the success of social dialogue in this sector because of the recent history of abstaining from long-term planning, in favour of short-term economic considerations (that are often supported by state funding). We see greater potential for social dialogue than suggested by the method employed this century of staggering from one emergency to another.

We draw from research conducted as part of the EU-funded project [VIRAL](#),^[1] focusing on select Member States (Denmark, France, Germany, Ireland, Italy, Poland, Spain). We observe a convergence of issues that challenge EU aviation sector industrial relations. Keeping *Strengthening Social Dialogue* in mind, the period 2020-2022 suggests the fragile state of EU social dialogue in the aviation sector.

Proposing to strengthen social dialogue

In *Strengthening Social Dialogue*, the Commission defined social dialogue as: “all types of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy...”

Coming as we emerge from the [Covid-19 pandemic](#), this publication should be welcome. It reminds us that there was (in the early part of the pandemic) a significant amount of social dialogue to address the then unclear situation of the pandemic. Between 2020 and 2022, examples of the positive effect social dialogue were evident. The joint declarations by the German social partners (Deutsche Gewerkschaftsbund (DGB) and Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA)) in early 2020 that they would “push aside differences” are one example. In December 2021, the national level Spanish social partners agreed to a reform that reduced the number of temporary contracts, incentivised by an increase in penalties for non-compliance.

It may be contended that negotiation was the “most prevalent form of social partner involvement”. This characterisation, though, should not gloss over the challenges faced by employers and employees at this time. Social dialogue in the early stages of the pandemic drastically affected workers’ terms and conditions, irrespective of negotiated agreements, which included: [agreements on reduced work hours and wages; unilateral wage reductions; agreements on paid/unpaid leave; and lay-offs](#). In France, the agreements of collective performance entailed wage cuts. Trade unions accepted cuts to wages to reduce the wage bill of companies during the crisis period. France also saw wage reductions through the derogation *in peius* at company level regarding working conditions laid down in collective agreements.^[2] Ryanair reduced pay in 2020 by 10% for cabin crew and 20% for pilots, effective over a four-year period.

Strengthening Social Dialogue reminds us that social dialogue has relatively untapped potential to (in the words of the EU in introducing this proposal) “[adapt to the changing world of work and new trends on the labour market, against the backdrop of the transitions to a digital and climate neutral economy and the emergence of new forms of employment.](#)”

We see scope for EU aviation sector social dialogue to take flight (apologies for the pun). The closer collaboration between the [International Labour Organization \(ILO\)](#) and the [International Civil Aviation Organization \(ICAO\)](#) set out in their 15 March 2022 agreement is an encouraging example. **Nevertheless, we contend that the EU aviation sector will test the effectiveness of the**

EU's strengthening social dialogue proposal.

The context of the EU's proposal to strengthen social dialogue

The timing of this proposal is worth noting. The present is a challenging time during which to launch an effort to strengthen social dialogue. While we do not criticise the timing, the EU Commission and social dialogue have had a challenging relationship recently.

The CJEU's decision in *European Federation of Public Service Unions (EPSU)*, C-928/19P, EU:C:2021:656. The effect of this decision has been questioned: does *EPSU* create a situation of dependency for social dialogue that it can only exist so long as the Commission sets an agenda that permits it to happen, or if the social partners fit their framework agreements within the political aims of the Commission? We see the effect of this decision as tempering what expectations may be had for EU aviation sector social dialogue; though there has been much more critical appraisal of the decision.

Additionally, we wonder about the current state of social dialogue. This question arises when looking at the recent *European Social Partners' Autonomous Framework Agreement on Digitalisation*, which was completed in June 2020. It is unclear what sort of agreement could be reached based upon the recent *Digitalisation Agreement* because it only sets out points for further discussion. It is hard to rely upon a shared commitment to addressing issues of digitalisation that does not have any concrete outcomes. Is the lack of agreement on anything more substantive than points for discussion a representation of the separation amongst the social partners on how to move forward as we proceed down the path of further digitalisation of work? Difficulties in implementing this *Agreement* have also been noted. And yet, the *Agreement* can also be viewed as a fit within broader policy initiatives undertaken by European institutions.

A liberalised EU aviation sector and Covid-19

Aviation is a key facilitator of the free movement pillar of the EU, particularly with regards to territorial continuity for island countries (such as Ireland), as well as Member States whose jurisdiction includes islands (such as Denmark, Italy, and Spain). The EU aviation industry has been notably liberalised since the turn of the 21st century. Low-cost carriers (LCCs) have grown over this time, particularly by capitalising on consumer sensitivity to prices. Legacy airlines (those that were originally established as flag-carrying airlines representing a jurisdiction) have responded to these new entrants by reducing their costs, particularly through strategies surrounding industrial relations including forming their own low-cost subsidiaries.

Covid-19 affected the aviation industry to a staggering extent. Passenger numbers dropped in the period Q2 2019 to Q2 2020 by over 91% in all EU Member States. Effects on labour terms and conditions included: agreements on reduced work hours and wages; unilateral wage reductions; agreements on paid/unpaid leave; and lay-offs. On 28 April 2020, SAS announced a reduction of 1593 in its workforce of 4300. Lufthansa stated on 11 June 2020 plans to lay off 22,000 of its 135,000 employees, with German workers constituting about half of the layoffs. Air France revealed on 17 June 2020 job reductions of between 7000-10,000. Many of the remaining EU aviation workers benefitted from government income support arrangements devised to assist businesses and workers. For workers, these included: temporary wage subsidies; increased unemployment allowance; means to assist working parents; sick pay; and assistance for the self-employed.

From social dialogue to industrial acrimony

A general movement is discernible during the years 2020-2022: commencing with social dialogue aimed at government intervention, by 2022 it turns to acrimony, leading in some instances to industrial action. Although there are generally examples of successful social dialogue during the pandemic (in Denmark, there were a total of twenty-one tripartite agreements made during the Covid-19 lockdown), their prevalence within EU aviation industrial relations is not as evident.

Within this period, governments supported the industry in differing ways. Ireland and Poland provided little or no money directly to airlines. In contrast, the Austrian, Belgian, German, and Swiss governments^[3] provided €9 billion to Lufthansa. The French Government contributed €7 billion to support Air France-KLM. The Spanish Government contributed approximately €839 million to Air Europa, Volotea, Air Nostrum and Plus Ultra. Airlines also benefitted from other measures such as Denmark's €17.3 million reduction to airport taxes (which benefitted all airlines flying into the country).

In 2021-2022, unions more overtly sought to revisit the changes to contract terms and conditions. The increase in consumer air traffic (particularly in Summer 2022) brought about more contentious relations between labour and management. A significant focus of the resulting industrial action has been the terms under which remuneration and working conditions will return to pre-Covid-19 levels. The collective performance agreements in France, for example, did not automatically terminate with the return to "normal" activity levels in Summer 2022. And so, remuneration cuts remained in place. There have been some compromises on a timeframe for a return to previous working conditions. Ryanair/Malta Air, in the countries of this study, agreed to restore pay by 2023 (instead of the previously agreed date of 2024) if the company recovers profitability. The evaluation of the restoration scheme remains contentious.

Overall, the return to normalcy regarding contract terms and conditions remains a matter of company level negotiations across the sector.

Sectoral social dialogue: vertical integration

A European sectoral social dialogue committee in civil aviation was formalised in 2000, though informal arrangements date to the 1990s. Amongst other points, it has focused on atypical employment, and the facilitation of transnational collective agreements at company level. To face significant challenges such as climate change, this core of social dialogue must be built upon.

Aviation industrial relations have largely been conducted at the company level. We see a need for greater involvement on an EU-wide level moving forward. (There would need to be international commitment to aviation industrial relations.) This entails engagement from not only the social partners, but also governments, as well as cooperation across EU borders. Vertical and horizontal cooperation is needed. By this we mean that cooperation from EU Government to Member State Government to local company level is necessary (vertical cooperation). As well, cross-border efforts must also be undertaken (horizontal cooperation). The consistent use of EU- and Member State-level social dialogue groups focused on aviation is essential to meeting the current and foreseeable challenges to the industry. Strong social dialogue at EU and Member State levels presents a good forum in which to address the combination of public sector concerns and private sector aims. To these points, we call attention to Council Decision (EU) 2022/2296, Principle 8 of the European Pillar of Social Rights, as well as more recent commitments to strengthening social

dialogue in the Porto Social Commitment (2021) and *Strengthening Social Dialogue*.

EU level social partners are better situated to address the significant challenges ahead. But, a need for “vertical coordination” of social partners from EU to Member State levels remains. We recognise that this proposal suggests a more significant level of centralisation and that there can be resulting difficulties.

Climate change as more than just another challenge faced by aviation

The challenge that climate change poses to EU aviation industrial relations (and aviation beyond the EU) underscores the importance of ameliorated EU aviation sector social dialogue. Climate cannot be singularly dealt with at company level, as has been the trend in the industry. Given aviation’s role as a dominant means of covering vast distances (in a relatively time efficient manner) within the EU Member States, EU aviation industrial relations requires tripartite social dialogue within the sector. A particularly important issue has been the decision to exclude airlines and airports from Next Generation EU funds because the sector violates the “do no significant harm” principle due to its environmental footprint. Technological innovations can assist in meeting this aim. For example, the Danish Government allocated €3.3million (“climate contribution”) for the development of ‘green’ aviation fuel. Although it alone is insufficient, the illustration points to why strong social dialogue framework is essential.

Can social dialogue be viable to the EU aviation sector?

While Covid-19 caused tremendous upheaval, we suggest this is an example to take on board when addressing future crises: how can existing social dialogue frameworks better function in the future, as well as under such severe circumstances? Even where parties collectively bargained, negotiations were used to facilitate the reduction of working terms and conditions at a time of initial panic, with the trade-off of providing some level of security for the remaining workforce. Workforce concessions soon became the source of tensions between employers and workers. Some disquiet should be registered regarding the speed with which EU aviation industrial relations reverted to previous (generally adversarial) patterns.

For further considerations on EU aviation industrial relations, please see *Convergence necessitating social dialogue in EU aviation industrial relations*.

References

[1] Varieties of Industrial Relations in Aviation Lockdown VS/2021/0188, funded by the Directorate-General for Employment, Social Affairs and Inclusion.

[2] Collective Performance Agreements (*accords de performance collective*) enable the employer to reduce wages and derogate *in peius* from applicable working conditions concerning working time and workers’ mobility without requiring any guarantee on the employer’s side in terms of investments or employment levels.

[3] Austrian Airlines, Brussels Airlines, and Swiss Air are subsidiaries of the Lufthansa Group. As of May 2023, Lufthansa holds a 41% stake in ITA Airways (formerly Alitalia). The agreement between Lufthansa and the Italian Ministry of Economy and Finance allows Lufthansa to purchase

the remaining shares at a later date.

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