





Airline Coordination Platform



Joint Statement by the European social partners in Civil Aviation on payroll support schemes for aviation in response to the Covid-19 pandemic

In response to the Covid-19 pandemic most Member States implemented sensible payroll support schemes which recognised the severity of the crisis. The social partners in Civil Aviation highlight their concern at the unwinding of some of these support schemes. These schemes must be preserved to protect jobs and employment. The whole European aviation ecosystem is required to scale back capacity, and the best case scenario is likely a 3 - 5 year phased return to pre-Covid-19 travel demand, against the backdrop of a global recession. Furthermore, the early recovery in June has stalled and has now reversed, with passenger traffic in the EU/EEA Switzerland/UK down by over 70% (from a maximum recovery level of minus 67% in mid-August).¹

Over the past 6 months, Member States payroll support schemes have kept thousands of workers of the ecosystem in employment at a time when European airlines are set to lose almost €18 billion in 2020 and the sector has seen demand drop by up to 99%. The importance of these payroll support schemes, particularly to the aviation ecosystem, should not be underestimated. European aviation is approaching the end of its worst ever summer season and entering a period of uncertainty as some Member States see a resurgence of the virus. The continuation of the dedicated support schemes designed specifically for aviation and covering all its sub-sectors, is vital to securing jobs given the industry faces an uncertain future with weak demand, reduced revenues, uncoordinated travel restrictions and higher cost of compliance with necessary Covid-19 health measures designed for passengers, and occupational health and safety measures for workers.

¹ <u>https://www.aci-europe.org/press-release/273-airports-applaud-ec-coordination-framework-as-stalled-recovery-figures-are-released.html</u>

The rate of Europe's economic recovery across multiple industries will be dependent on the air transport stakeholders' ability to scale capacity according to the demand for air travel. An immediate issue will be the availability of sufficient capacity throughout the whole aviation ecosystem and trained workers who are ready to return to their jobs, for instance to transport a Covid-19 vaccine, which is expected to be the largest single transport challenge in history requiring the equivalent of over 8,000 747 cargo aircraft.² In a similar manner to when the aviation ecosystem shut down earlier this year, it will have to respond quickly from one day to another when demand increases to help to reopen the European economy for businesses, trade and tourism.

Aviation workers are highly skilled professionals and must be regularly trained / assessed to remain qualified to ensure safe operations. Having aviation in a turnkey state to transport a Covid-19 vaccine and to support the larger EU-wide economic recovery, will require trained workers with valid licenses when demand returns for air travel. An extension of payroll supports by Member States will help secure thousands of jobs and continue to train workers which will allow aviation stakeholders to scale up to support Europe's economic recovery. Any removal or restriction of payroll supports by Member States will threaten jobs and employment at a time when travel demand is expected to fall by over 50%.³

The purpose of payroll support schemes was to preserve jobs during the crisis and provided lifelines for companies in the aviation sector to retain thousands of employees. The jobs and businesses saved so far through these schemes should not now be put at risk in an industry that supports 6 - 7 million ancillary jobs. The withdrawal and unwinding of payroll support schemes in some Member States will put employment at risk in the aviation industry and hamper long term economic recovery for this critical element of European transport infrastructure. The social partners in Civil Aviation therefore urge Member States to continue their payroll support schemes for aviation, including through industry specific arrangements where appropriate, to support the aviation sector and its employees.

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This statement is being issued jointly by the Members of the European Civil Aviation Sectoral Social Dialogue Committee:

European Transport Workers' Federation (ETF) European Cockpit Association (ECA) Air Traffic Controllers European Unions Coordination (ATCEUC) Airlines for Dialogue (A4D) Airline Coordination Platform (ACP) European Regions Airline Association (ERA) Airlines International Representation in Europe (AIRE) Airports Council International – Europe (ACI) Civil Air Navigation Services Organization (CANSO) Airline Services Association (ASA)

² <u>https://www.iata.org/en/pressroom/pr/2020-09-09-01/</u>

³ https://www.iata.org/en/pressroom/pr/2020-06-18-01/