FIX

WHAT IS BROKEN

WHY AIRPORT WORKERS DEMAND CHANGE
EXECUTIVE SUMMARY

The aviation industry is profitable and growing. In 2017 airlines reported $38 billion in profits, a fourfold increase over 2013, and nearly one billion additional passengers. The CAPA Centre of Aviation claims that “the current airline cycle is looking better than any other since the dawning of the jet age.”

The industry is rapidly changing and has shifted toward a business model that prioritizes aggressive cost-cutting. In the last twenty years intense competition driven by aggressive subcontracting and low-road outsourcing have significantly deteriorated working conditions for aviation workers. The pay and conditions of ground staff have declined globally and the growth of Low Cost Carriers is driving these practices into new sectors, including cabin crew and pilots.

Airlines are driving down wages, increasing workloads and cutting full-time jobs. As a result, jobs that were once considered secure, decent jobs are now precarious and subject to high turnover of staff. High turnover is not only an issue for employers but also presents serious safety and security issues for passengers and airport operations: outsourced workers such as wheelchair workers, airline caterers, baggage handlers and ramp agents are all frontline workers whose experience and training are necessary to identify potential security threats and to ensure safety in airport operations.

High worker turnover raises serious safety concerns for the industry. At airports in the US research has confirmed links between longevity of service and reduced incidents. A 2014 study at Seattle Tacoma Airport found that workers with less than a year on the job were responsible for 12.7 violations per 1,000 workers while that rate decreased to 7.1 violations per 1,000 workers for those workers with over one year’s experience.

In the Netherlands, the National Aerospace Laboratory (Nederlands Lucht- en Ruimtevaartcentrum, “NLR”) cited high turnover and lack of training as a serious operational concern for Dutch aviation.

Airlines, Airports and Governments have proven unwilling to fundamentally challenge the aggressive cost cutting that has created this dangerous “race-to-the-bottom”.

Airport workers around the world are fighting for change. By raising standards of airport work they are simultaneously helping to improve safety, security and service for passengers.

Unions across the world are fighting for, and have won, economic increases for workers. This results in a reduction in turnover and a more experienced and well-trained workforce. As part of their commitment to raising standards industry-wide, airport workers, through their unions have also negotiated mandatory safety trainings and increased qualifications for airport workers.

Aviation unions from Indonesia, Thailand, the United Kingdom, Australia, Germany, the Netherlands, the US and Canada have contributed to the research in this paper and are part of a wider global fightback of unions addressing the unsustainable business model that underlies the airline industry. The struggle is global, and workers are rising to this challenge.

2 Port of Seattle, Staff Briefing, Minimum requirements for aeronautical workers with safety and security responsibilities at Seattle-Tacoma International Airport, [website], 2014, http://www.portseattle.org/About/Commission/Meetings/2014/2014_07_01_SM_6a_memo_overview.pdf
AVIATION: THE SKY MAY NOT EVEN BE THE LIMIT

The aviation industry is thriving. The International Air Transport Association (IATA) estimates that consumers will spend 1% of global GDP on air travel in 2018, or $861 billion.\(^3\)

The global airport industry reported over $35 billion in net profit in 2016.\(^4\) In 2016, airport revenues surpassed $160 billion. Over one third (39.4%) of revenue is now generated from non-aeronautical sources such as retail concessions and car parking. Airport’s net profit margin stands at an enormous 22.2%.\(^5\)

FIGURE 1. NET PROFIT OF COMMERCIAL AIRLINES

<table>
<thead>
<tr>
<th>REGION</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>NORTH AMERICA</td>
<td>7.4</td>
<td>11</td>
<td>21.7</td>
<td>17</td>
<td>18.4</td>
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<tr>
<td>% OF GLOBAL</td>
<td>69.16</td>
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<td>60.28</td>
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<td>48.42</td>
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<td>1</td>
<td>7.1</td>
<td>8.5</td>
<td>8.1</td>
</tr>
<tr>
<td>% OF GLOBAL</td>
<td>9.35</td>
<td>7.87</td>
<td>19.72</td>
<td>24.85</td>
<td>21.32</td>
</tr>
<tr>
<td>ASIA PACIFIC</td>
<td>2.3</td>
<td>.5</td>
<td>7.5</td>
<td>10.1</td>
<td>7.4</td>
</tr>
<tr>
<td>% OF GLOBAL</td>
<td>21.50</td>
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<td>1.1</td>
<td>2.1</td>
<td>1.3</td>
<td>1</td>
</tr>
<tr>
<td>% OF GLOBAL</td>
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<td>8.65</td>
<td>5.83</td>
<td>3.80</td>
<td>2.63</td>
</tr>
<tr>
<td>LATIN AMERICA</td>
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<td>.01</td>
<td>-1.6</td>
<td>.4</td>
<td>.5</td>
</tr>
<tr>
<td>% OF GLOBAL</td>
<td>1.87</td>
<td>.008</td>
<td>-4.44</td>
<td>1.17</td>
<td>1.32</td>
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<tr>
<td>AFRICA</td>
<td>-.5</td>
<td>-.9</td>
<td>-.8</td>
<td>-.4</td>
<td>-.1</td>
</tr>
<tr>
<td>% OF GLOBAL</td>
<td>-4.67</td>
<td>-7.08</td>
<td>-2.22</td>
<td>-1.17</td>
<td>-0.26</td>
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<tr>
<td>GLOBAL</td>
<td>10.7</td>
<td>12.71</td>
<td>36</td>
<td>34.2</td>
<td>38</td>
</tr>
</tbody>
</table>

The global airline industry’s aggregate net profit increased (almost) fourfold since 2013 up from $10.7 billion to $38 billion in 2017.\(^7\)

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In addition, the global airline industry has also seen an increase in profit margins. The industry’s net profit margins in 2017 (5.04%) more than tripled, compared to five years earlier (1.49%). North American airlines retain the highest share of global profits. However, European and Asia Pacific airlines have increased their share of profits over the last two years.

**INDUSTRY GROWTH SHOWS NO SIGNS OF STOPPING**

In 2017 global passenger growth was 7.6%, above the ten-year average of 5.5% and above the industry’s 6.3% growth in passenger capacity. If IATA's mid-year projections are correct and the industry logs 4.4 billion passenger departures in 2018, it will have achieved an increase in passengers of more than 38% in the past five years.

The industry is correspondingly optimistic about growing future demand: an IATA survey of airlines found that 86% of respondents expected passenger growth to rise in the next 12 months. The industry hasn’t seen this level of optimism regarding future passenger growth for over a decade.

In July of 2018 The CAPA Centre for Aviation wrote that even given year over year fluctuations in profitability and rising input costs, “the current airline cycle is looking better than any other since the dawning of the jet age.”

**ASIA-PACIFIC IS SET TO TAKE OFF**

In 2016 IATA forecast that more than half of new passenger traffic generated over the next 20 years would come from Asia-Pacific. China, India and Indonesia are among the world’s five fastest growing markets. By 2022, China is expected to overtake the United States as the world’s largest aviation market and India and Indonesia are both expected to be in the world’s top five markets. By 2040, it is forecast that airports in emerging and developing economies will have 1.6 times the passenger traffic of airports in advanced economies.

**THE RISE OF LOW-COST CARRIERS (LCCs)**

One of the most significant shifts in the industry is the growth of low-cost carriers (LCCs). LCCs will account for much of the projected growth in aviation and represent a greater challenge for workers and their employment standards in aviation. Low-cost carriers pursue aggressive cost cutting and low-road outsourcing across their value chain.

Their domination in some markets has meant that airports have to adapt to this cost-cutting model to grow their passenger numbers and revenues. At Stansted airport in the UK, over 95% of the airport’s capacity is accounted for by LCCs. The dominance of LCCs at Stansted, particularly Ryanair, has forced it to cut operating costs which have reduced 31.3% since 2014.

In Europe, LCCs increased flight numbers by 61% between 2007 and 2016, while traditional legacy carriers shrank by 10% over the same period. LCCs accounted for 30% of flights in the region in 2016.

Until recently, competition from LCCs was limited to domestic or intra-regional markets, but that picture is changing: “LCC seat share on the North Atlantic has grown from almost nothing five years ago to 8% in summer 2018”. This adds a completely new dimension (long-haul market) to their potential growth.
LCCs are at the forefront of growth in Asia-Pacific. In 2017 aircraft manufacturer Boeing reported that in the previous decade Asia-Pacific region increased its seat capacity by 10% annually, disproportionately driven by LCCs, which grew their capacity each year by an average of 22%. In Indonesia, for example, LCC Lion Air has taken more than 50% of the country’s domestic market and continues to grow.
Workers Paying the Price in the Race to the Bottom

The aviation industry employs 8.87 million jobs across the supply chains of airport operators, airlines and state agencies. It employs another 1.1 million in civil aerospace jobs. While the aviation industry’s future is bright, the future for workers and their employment conditions are not. Aviation jobs were secure, full-time, decent, union jobs. In recent years, increased low-road outsourcing and subcontracting to the lowest bidder have driven down conditions.

Cabin crew, cabin cleaners, terminal cleaners, prep cooks and airplane caterers, baggage handlers, ramp workers, security officers, shuttle bus drivers, ramp agents, ticket agents, mechanics and other workers generate the industry profits and make possible the passenger growth but are increasingly not directly employed by airlines and airports. As companies look to cut costs wherever they can, these workers are increasingly shut out from the benefits previously afforded to direct employees. Even when workers are directly employed, airlines are frequently introducing two-tier structures which reduce wages, terms and conditions for new employees.

The growth of outsourcing in the global ground handling sector is indicative of the trend across the aviation industry. In 2017, Swissport estimated that approximately 40% of ground handling work globally was outsourced, up from 34% a decade prior. This is a conservative estimate. IATA estimate that as much as 50% of the work is outsourced. Competition among contractors for this growing market is fierce, and the market is currently very fragmented: as of 2017 the four largest ground handling companies accounted for only 10% of the global market share.

The process of outsourcing work is shaped by local regulatory regimes and has developed differently in different parts of the world. For example, the European Union Council Directive 96/97/EC, mandated that countries open up ground handling services work at EU airports to competitive bids from third party contractors. The resulting competition has driven ground handling companies to squeeze labour costs, a trend that replicates itself across the global industry.

Baggage handling workers across European airports now carry out more work for lower wages. A study ordered by the EU Commission in 2009 found that the number of companies in the sector had nearly doubled while costs fell by 15%. Competition between companies has intensified and this competition is almost exclusively over price. Consequently, because this work is so labor intensive and wages are such a large portion of overall cost, the fierce competition on price drives down wages. The survey also found that companies were frank about the impacts of liberalization and low-road outsourcing on their employees’ health and safety:
Outsourcing in the US began after the deregulation of the aviation industry in 1978 but has deepened significantly since the 2000’s.

Research conducted by the Labor Center at the University of California, Berkeley found that outsourced baggage porter jobs grew from 25% in 2002 to 84% in 2012, and while wages for both outsourced and in-house baggage porters fell more than 45% throughout that period.25

From 2002 to 2015, airlines in the United States cut over 100,000 direct jobs,26 even as they attracted more passengers than ever.27 The result? For essential ground service workers, outsourcing cut wages, which then stagnated,28 for baggage handlers, airlines eliminated 90% of direct jobs, dropping wages to less than half, from $26.04 in 2003 to $10.18 in 2017 (inflation-adjusted to 2018 dollars). 29

Europe has also seen the outsourcing model spread to aircraft crew. Ryanair, Europe’s largest airline, employs both pilots and cabin crew through outsourcing. While pilots are engaged as self-employed, cabin crew are hired through temporary agencies. Temporary agency cabin crew are on zero-hour contracts, paid only for flying hours and receive no employment benefits such as company sick pay.

The rise of LCCs in Europe has also driven down standards for airport workers. Ryanair has grown to be the dominant carrier at multiple airports in Europe and uses its dominance to drive down costs with all its service providers. For example, at Stansted airport, where it operates over 75% of the airport’s flights, the airline’s influence has led to increased casualisation of the workforce and high turnover.

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file_Mai_2018.pdf
cle/25863/aviation-starts-ground/
24 ECORYS, 2007 “Social developments in the EU air transport sector”, Prepared for European Commission, DG Energy and Transport,
“A year after Ryanair’s latest airport charges deal with Stansted, everything became about bringing down costs. We were in meetings where all they’d say is we need to get passenger spend down from 9 to 5... 9 to 5 to remain competitive... They renegotiated the wages on starter contracts and brought in super-flex contracts.”
-MAG Security Officer, Stansted airport, UK

The rise of LCCs also has impacts for workers in legacy carriers. Intense competition for passengers is applying pressure to existing terms and conditions and collective bargaining arrangements in legacy carriers. In Europe, legacy carriers have both created low-cost subsidiaries for new routes or they have introduced new cabin crew to their workforces on inferior contracts and in different bargaining arrangements than longer serving workers, creating a two-tier workforce.

In Indonesia, the legacy carrier Garuda has changed the retirement age for cabin crew to 36 years old as a means of keeping cabin crew young and to turnover staff as a means of keeping down accrued staff costs. This precludes the possibility of a meaningful or sustainable career in aviation for all new cabin crew entering the Garuda workforce.

This issue is compounded by Garuda refusing to pay the Cabin Crew according to Government regulation No.78 that requires employers to provide extra wages to long serving workers and the lack of clarity from State agencies in Indonesia concerning the current confusion over the licensing and certification of cabin crew for safety training which threatens professional standing and pay rates.

These examples demonstrate clearly that cost cutting is not restricted to the outsourced and/or LCC sectors of the industry but are seeping in across the board proving a huge challenge for unions and workers putting downward pressure on their current collective bargaining agreements.

30 OAG data, 2017
“I am a cabin crew and have been working in Garuda for six years. In ten years, I will be 36 years old. I have one baby and now she is one year old. If I am retired at 36 years old, it means my daughter will be 11 years old and still in the elementary school. I can’t imagine if I stop working and my baby still needs me to support her life and continue our family. This is something irrational and against our human right as we all should have the same rights regardless of our age. Crew on previous contracts retire at 56 years old.”

Cabin Crew Garuda, Indonesia
- Dedy Priyono
THE IMPACTS OF LOW-ROAD OUTSOURCING

Outsourcing to irresponsible contractors has deteriorated employment conditions for airport workers across the globe. Its impacts are directly felt by workers and the wider industry in the following broad areas:

1. **DRIVING DOWN WAGES**
2. **ELIMINATION OF FULL-TIME JOBS**
3. **WORK INTENSIFICATION**
4. **AIRPORT SAFETY AND SECURITY**

This section draws on interviews conducted with airport workers across multiple airports in eight countries to exemplify the impacts of low-road outsourcing on workers’ jobs and lives.

Airlines across the globe have driven down airport worker wages significantly. Labour costs make up a significant proportion of operating costs and have been forced down in the face of intense competition. Airlines have fragmented their supply chains subcontracting and/or outsourcing not only services but their responsibility for workers and a sustainable employment model.

Outsourced workers are paid less than those in direct-hire jobs. In the US, a 2017 study found that 37% of airport workers earned less than $15 per hour, most worked for third party contractors. A third (32%) of outsourced workers experienced signs of economic hardship such as struggling to pay rent, relying on government aid for food or health insurance, living in overcrowded housing, or falling below or just above the poverty line; the rate for direct airline employees was one fifth (20%).

“I work hard cleaning United Airlines planes, but I’m paid so little that I have to live with my grandmother. My dreams are on hold. I want to go to college, get my own apartment, and buy a car so I don’t have to take two buses to get to work. On these wages, it’s not possible right now.”

- Alicia Cooper,
  Lead Cabin Cleaner at Newark Liberty International Airport
In German airports, where the ground handling service was liberalized in the early 2000s, new companies started paying their workers 30 percent less than those still working in-house. The pressure on wages led some public companies to decrease their wages as well (in Frankfurt and Munich airports) and to establish subsidiary companies to hire workers and then ‘rent’ them back to public companies on reduced wages (Dusseldorf, Frankfurt, Hamburg, Munich and Nuremberg). 32

In Thailand, the legacy carrier Thai Airways established a subsidiary company ‘Wingspan’ and subcontracted much of its work to this company. Wingspan workers work side by side with Thai Airways direct employees doing the same jobs for less pay and less benefits.

Wingspan has in turn created a two-tiered internal workforce within the subsidiary by engaging workers on daily rather than a permanent basis. Workers engaged on a daily basis again work side by side with their fellow workers on permanent contracts and direct employees of Thai Airways with multi-tiered labour terms and conditions. Daily paid workers earn minimum wage in precarious jobs, however, the work they perform isn’t seasonal or variable but constant and growing. There is no operational reason for this type of precarious work except that it cuts costs for airlines and creates a more fearful workforce harder for unions to organize.

“There is no difference between the work airport workers do at my airport. Without overtime my family and I can’t survive with 10 dollars per day. There is no justice for outsourced workers at my airport, it is hard work for cheap labour.”
- Thai Wingspan Catering Worker – Suvarnabhumi Airport
At Toronto Pearson Airport in Canada, airport workers face the impacts of “contract flipping” by airlines. The practice whereby airlines ‘flip’ contracts between competitor service providers every few years, choosing the lowest bidder. This forces whole workforces to reapply for the jobs they were already employed to do, on inferior terms and conditions. Workers consequently lose seniority, wage increases and other accrued benefits they had entitlement to with their previous employer.

“You come across people who have been there for 15 to 20 years who are making just over minimum wage or minimum wage. They enjoy the job but because of contract flipping unfortunately the pay hasn’t kept up. We have people making $22 an hour who get offered jobs at $13.”
-Baggage handler, Toronto Pearson Airport, Canada

In Indonesia, the national carrier Garuda airline established subsidiary companies to carry out the airline catering, MRO and ground handling work; the Gapura ground handling company is a joint-venture with the airport operators. The Gapura subsidiary, has in turn, outsourced much of their labour supply to manpower agencies. This has created a multi-tiered workforce at Jakarta and an ever-increasing pool of precarious, outsourced workers.

“I used to be a full-time Garuda ground handler. When they got together with the airport and set up Gapura, they informed me I was now going to work for Gapura. I’m doing the same job for the same airline, but since I became Gapura I haven’t had a pay rise. We are talking for years. And then there are others who do the exact same job as me, but because they work for the manpower agency, they earn even less than me.”
-Ground handler, Jakarta Soekarno-Hatta Airport, Indonesia

The Loss of Full-Time Jobs

By outsourcing to low-road contractors, airlines are also cutting full-time jobs. Airport jobs are increasingly part-time or on-demand jobs. The flexibility of these work arrangements allows airports and their service providers to minimize labour cost and manage sudden fluctuations in demand.

This provides workers with little or no certainty on hours and, thereby, no sustainability for workers seeking a career in aviation.

A survey of workers at Hamburg Airport showed how the majority of new jobs created in recent years had been part-time roles. New recruits at airport subsidiary GroundStars are mostly employed on so-called flex-work contracts in which only a minimum number of hours is guaranteed (usually 40 per month); workers are then on-call the rest of the time. While the ratio of full-time to part-time jobs at the airport stands at 70/30, part-time work in ground handling and security services, is well above average at more than 50 percent.  

“I often work long shifts with minimum rest between them. I barely see my kids since they’re in bed when I get home and asleep when I leave. Even when I see them, I’m exhausted...even their normal enthusiasm exhausts me. I feel alienated from my own family.”
- Security officer on a super-flex contract, Stansted Airport, UK
A recent survey of the Australian aviation industry showed how it was becoming dominated by part-time work, with 42 percent of employees in non-full-time roles. Qantas Airways has around 18 percent part-time staff, while its new subsidiary QGS has 100 percent non-full-time roles. In-house airline workers in Australia work an average of 38 hours per week (Qantas) but in the subcontracted Qantas subsidiaries (QGS) this drops to just 27 hours per week.

“Even though I work two jobs at the airport—and even though my work helped United Airlines bring in $2.1 billion in profit last year—I don’t have health care, sick days, or vacation time. The worst part about it is I’m not paid enough to be able to afford my own place to live.”
- Niecea Davis, Cabin cleaner and wheelchair attendant, Denver International Airport, USA

Flexible work patterns have a profound impact on workers’ lives. Workers find themselves having to work multiple jobs, long hours and still struggling to make ends meet.

WORK INTENSIFICATION

Workers in the aviation industry are increasingly required to do more work for less return. Airport services are outsourced to drive down cost—which also means airport service firms compete to offer the maximum service at the lowest cost. As the single largest cost for these firms, labour is put under intense pressure to extract the maximum work while driving costs down. This is done by increasing the amount of work done by each worker so as to minimize the number of workers required to fulfill a service. As a result, the industry is incessantly focused on “labour productivity”. For example, in the UK, the labour productivity of airside air transport services employees is around £84,000, more than 1.5 times the economy average of £51,000. This has implications for workers’ well-being.

“I have been working at Frankfurt Airport for 10 years. In this time passengers have grown in number by 25%. But staff did not. It is really hard to cope with the stress and many of us are paying with their health.”
- Hassan Özdemir, Frankfurt Airport
As the industry seeks to minimize its costs, there has been a major increase in the number of passengers per worker. Over the last five years, there has been a 10% increase in the number of passengers per worker in the airline industry. While passengers have increased 30.95% in the last five years, growth in employment is at a much lower level. This data indicates a rapidly increasing workload and our interviews with airport workers confirm this.

“Our jobs have never been decent jobs at my airport. We work long extra hours to make above the minimum wage and we are overloaded with work just to cover permanent workers.”
- Thai Wingspan Catering Worker – Suvarnabhumi Airport

In 2016, airside incidents at Toronto Pearson increased 53%. Low wages and the rise of precarious employment has resulted in workers working multiple jobs and long hours just to make ends meet. Each of these jobs will have experienced ever-increasing workloads over recent years. These working conditions pose increased risks for workers and for the general public and workers see this as being partly responsible for the increase in airside accidents.

“It’s $12.10. You cannot survive on that paycheque. So everybody has to take extra shifts. So when they offer me extra shifts, even if it’s late at night, I will stay.”
- Security worker, Toronto Pearson Airport, Canada
Unstable employment and poor working conditions impact airport security. Wheelchair workers, baggage handlers, cabin cleaners, catering staff and ramp agents are all frontline employees who are responsible for identifying safety concerns. High turnover in these jobs is not only a problem for the companies that must constantly hire, train and manage new employees but creates security risks for the industry as a whole.

Menzies Aviation, one of the largest global providers of aviation services, has reported significant increases in staff turnover over the past three years: from 46.4% in 2015 to 50.4% in 2016 to 53.3% in 2017. Menzies isn’t alone, and many segments of the aviation industry have become characterized by high-turnover linked to deteriorating conditions for airport ground staff.

Research has confirmed the links between higher pay and lower turnover among airport workers, and in turn between lower turnover and improved security.

A study of the Seattle-Tacoma International Airport (SEA) found that pay was one of the most significant determinants of turnover at that airport, with workers switching jobs for a raise of as little as fifty cents. It found that workers with less than a year on the job received citations for 12.7 security violations per 1,000 workers while those with more than a year’s experience received 7.1 security violation citations per 1,000 workers.
A study of the impacts of a living-wage program implemented at San Francisco International Airport (SFO) found that turnover decreased by 34% overall after the wage increases took effect and by as much as 60% in firms where the total wages increased by 10% or more. There was found to be a direct correlation between improving turnover rates and security breaches; the number of detected security breaches decreased where the turnover rate of security screeners declined. 43

Similarly, in the Netherlands the National Aerospace Laboratory (Nederlands Lucht- en Ruimtevaartcentrum, “NLR”) identified the increase in employee turnover in ground handling and the difficulty of training up new staff as major operations concerns for Dutch aviation:

High staff turnover and a lack of experience are points of concern for ground handling, something that has also been identified by previous NLR studies... If Schiphol were to grow even more, this situation could worsen and result in an increase in collisions between ground vehicles and aircraft. It could also lead to an increase in accidents because of a limited awareness of the risks associated with working on the ramp on an aircraft turnaround. 44

While the industry recognizes that high turnover is a problem in aviation and itself represents a substantial security risk, the cost-cutting, low-road subcontracting, outsourcing and the associated declining standards that generate high turnover have only deepened.

Safety risks posed by lowering employment standards and the subsequent turnover means improving conditions of work is in the interest of the aviation industry.

“Because of low wages, it is hard to recruit people for ground handling nowadays. We are totally understaffed. With the increase of passengers and workload, it gets harder and harder to follow the safety rules when loading the airlines. If the industry wants to maintain safety and security, they better react quickly before it gets dangerous.”

- Sabine Kreuzer, Berlin Airport
Trade unions at airports across the world have been fighting back against the low-road outsourcing model. These successes are crucial for the future of the industry.
KOREA – KPTU

At Incheon International Airport in South Korea, the Korean Public Services and Transport Workers Union (KPTU) is demanding good permanent jobs and direct employment for outsourced workers, decent wages, changes to “inhuman” working schedules, guarantee of trade union rights and respect at work. The union organizes workers across the airport’s value chain, including directly employed airline pilots, cabin crew and ground staff and workers subcontracted with the airlines and Incheon International Airport Corporation. The union is currently focusing on organizing subcontracted ground services and cabin cleaners.

The abuse faced by aviation workers in Korea has recently been highlighted in the press. Workers have faced abuse from key members of the owner families of Korean Air and Asiana airlines, the two major Korean airlines. There have been multiple incidents of physically and verbally abusive behavior, including forcing a plane to return after it began taxiing and a crew member to deplane. The excessive demands of airlines on contracting companies, pressures which gets passed on to workers, has also come to light, recently resulting in Asiana planes flying for several days without in-flight-meals after the airline suddenly terminated its contractor. This behavior has led to spontaneous protests by Korean Air and Asiana workers. At first protesting workers hide their identities, out of fear of reprisal. With the support of KPTU organizers, more and more are joining the union, revealing themselves and coming forward to demand their rights. These developments have created momentum for organizing across job classification and employers at the airport. 45

THAILAND – MULTI-UNION

Wingspan Workers Union (WWU) together with the TG Union (Thai Airways) are coordinating efforts to sustain and build union organization in the Thai Airways subsidiary company Wingspan. Organizing workers is difficult given the precariousness of the jobs and the fear among workers of the employer and losing their jobs. In addition, the huge rates of worker turnover make sustaining union organization and membership levels a real challenge. WWU activists and organizers have managed to double membership in 2018 and have registered sufficient union members to now trigger collective negotiations with the employer. In such a hostile and difficult environment for union organizing this is a huge achievement and one that maintains the only example of a private sector employer with union recognition at the airport.

The WWU ‘fight for change’ campaign has engaged hundreds of members in collectively determining the bargaining demands around pay, secure jobs and greater recognition and facility time for union activists performing union work. The Thai Airways Union and WWU are also coordinating efforts to draw in other airport unions and strategically address the common challenges their workers face across the airport.
Indonesia - multi-union

Jakarta (Soekarno-Hatta) Airport unions are coming together to address the key industry challenges. The airport operator and the key legacy airline have both sub-contracted and outsourced much of the work in ground handling, airline catering and cleaning at the airport. Flight attendants too have seen their conditions deteriorate under the weight of competition from low-cost private airlines.

Seven trade unions with members at Jakarta airport in Indonesia have formed an Airport Alliance of Labour Unions, PAGJABSI (Paguyuban Pekerja Bandara Seluruh Indonesia). In a context where the airport and airline are collaborating to drive down labour standards through multiple layers of outsourcing, they are working to establish airport-wide norms and regulations that cover all companies and workers at the airport. The Pagjabsi is doing this by organizing the large number of outsourced workers quickly building membership across different jobs at the airport. Three sectors are well into their organizing campaigns and two are close to establishing new unions, progress has been very quick demonstrating the appetite among the airport workers for union representation and organization.

The Pagjabsi will provide a single authoritative ‘worker voice’ for Soekarno-Hatta Airport workers and bring more collective power to bear on the key industry players and government agencies that workers need to move to achieve their aim of a safe, secure airport marked by decent work.

Seven trade unions with members at Jakarta airport in Indonesia have formed an Airport Alliance of Labour Unions, PAGJABSI (Paguyuban Pekerja Bandara Seluruh Indonesia). In a context where the airport and airline are collaborating to drive down labour standards through multiple layers of outsourcing, they are working to establish airport-wide norms and regulations that cover all companies and workers at the airport. The Pagjabsi is doing this by organizing the large number of outsourced workers quickly building membership across different jobs at the airport. Three sectors are well into their organizing campaigns and two are close to establishing new unions, progress has been very quick demonstrating the appetite among the airport workers for union representation and organization.

The Pagjabsi will provide a single authoritative ‘worker voice’ for Soekarno-Hatta Airport workers and bring more collective power to bear on the key industry players and government agencies that workers need to move to achieve their aim of a safe, secure airport marked by decent work.

The Transport Workers Union of Australia (TWU) has coverage over in excess of 30,000 workers employed at airports and by airlines. Coverage includes baggage handlers, ramp workers, cabin crew, airline catering, aircraft refuellers and airport security screeners.

The Australian bargaining system requires unions to negotiate pay and conditions on a company-by-company basis. The system operates in a way that delivers inequitable wage and conditions outcomes for workers within the aviation industry. That usually means that wages and conditions are determined by the militancy of workers and companies respectively, and the preparedness of different groups of workers to engage in industrial action. The current system gives little regard to work value.

The contracting merry go round has led to differences in wage outcomes of up to 40%. More and more workers are expected to compete for ongoing employment through either reducing wage increases or surrendering hard won conditions. Insecure work is at an all-time high and growing. Since the GFC part time work at airports has grown at four times the rate of full-time work.

In response the TWU has devised a strategy to engage in industry wide action to deliver industry standards for wages, job security, direct employment and aviation security. At present such industry outcomes are considered to be illegal and as such the TWU is at the forefront of the Australian Council of Trade Unions campaign to “Change the Rules”.

The strategy involves the negotiation of agreements that all include common expiry date of June 30th, 2020. In the ground handling and catering sector we have achieved an approximate 80% success rate. This enables the taking of legal industrial action in pursuit of common industry standards for wage rates, full time employment, job security and airline and airport security. The work currently being undertaken is to ensure that workers from all companies are able to unite for fair employment standards for every aviation worker.

At the same time as preparing for 2020 the TWU still has to deal with recalcitrant, anti-union employers. The most significant of those is the recently Swissport acquired Aero-Care.

Aero-Care have been successful over many years of reducing payments to their workers to below award rates and offering its nearly 3000 strong workforce just 60 hours of guaranteed work per month. Their employment practices have delivered a huge competitive advantage over other airport companies that has led to continued contract wins. Aero-Care has tripled in size between 2012 and 2018.

Recognizing the threat to all other airport workers posed by Aero-Care, the TWU membership engaged in an outreach campaign to Aero-Care workers throughout 2017 and 2018. TWU members sought contacts and information about how the company paid and worked its employees and used that information to expose employment conditions in our national media. We were also able to successfully use the information to model wages for workers engaged by Aero-Care for legal proceedings in the Fair Work Commission.

As a result of the outreach programme and the information it garnered the TWU was successful in stopping Aero-Care from being granted a new workplace Agreement that would have seen its workers being paid as much as $1500.00 per month less than the legal minimum entitlement.
In Canada, the Toronto Airport Workers Council (TAWC) represents 30,000 of the 50,000 workers who work at Toronto Pearson Airport across multiple unions’ membership. Through this approach the TAWC have been able to address and fight for issues that affect workers across different jobs types at the airport such as contract flipping, declining wages and high turnover. They have established an airport-wide safety forum that puts workers at the table with management and the airport authority and implemented historic benchmarking and demographics studies to collect data on the makeup of the workforce.

The TAWC are also able to act as a solidarity vehicle for workers across the airport to support actions taken by workers in specific employers. In 2017 when Swissport workers represented by Teamsters went on strike the TAWC was able to provide picket support, set up a number of successful rallies and helped to put pressure on the employer to bring the strike to an end.

By joining up and coordinating workers across unions and workplaces the TAWC are able to speak with a single authoritative worker voice to the Greater Toronto Airport Authority and are making a difference on issues such as transit for workers and the public to and from the airport to opening discussions with the airport on issues like protections for workers in cases of contract flipping and minimum wage rates at the airport.
In the US, SEIU has won union representation, mandatory safety training and wage increases for workers at numerous airports.

Employing a mix of political, shareholder and ground organizing strategies the SEIU in the US have won significant victories for their members and a wider group of airport workers in the subcontracted sectors of ground handling, cleaning and security.

In 2017, roughly 5,000 airport workers at Reagan and Dulles airports won a living wage policy that raises wages to a minimum of $12.75/hour by 2019; a raise of more than $4/hour for some workers.

At Los Angeles International Airport this has meant 10,000 workers will earn $17/hour and receive fully-paid emergency response training. There have been similar victories in for airport workers at Chicago O’Hare and Midway airports as well.

Approximately 1,500 workers at Boston’s Logan International Airport won an increase in the minimum wage to $13/hour beginning in January 2018. The minimum had already increased to $12 the year before. (The Massachusetts minimum wage is $11).

In 2018, Airport workers made history when the Port Authority of New York and New Jersey voted unanimously to raise wages to $19 an hour for 40,000 airport service workers at JFK, LaGuardia, and Newark airports. Once finalized, this will be one of the highest minimum wage in the country.

In total 120,000 airport workers have won wage raises across the country and 25,000 workers have won a union with SEIU.
Unite Here similarly to the SEIU have engaged airline catering workers in pushing for Living Wage policies that will raise the minimum wage for all airport workers. Unite Here are demanding that the airlines (for whom the catering companies work) begin to take their share of responsibility for conditions in the kitchens preparing food for their passengers.

Over the last year, Unite Here have succeeded in raising wages in over a dozen cities for thousands of airline catering and concessions workers. In some cities, workers got raises of $3/hour (Washington DC) or even $4/hour (Philadelphia).

Unite Here have also won on issues of airport safety and worker wellbeing. Airline catering workers have worked in trucks without air conditioning for years, sometimes staying out on the ramp for hours in extreme heat and without proper shade. Earlier this year, LSG Sky Chefs started to phase in trucks with A/C, after we campaigned around the issues of driver health and airport safety.

On September 18, 2018, approximately 2,700 catering workers working directly for United Airlines in its U.S. hubs (Newark, Houston, Denver, Cleveland, and Honolulu), 95% of whom are immigrants and people of colour, are organizing, and will have their chance to vote on joining UNITE HERE.\(^7\)
In Germany, due to the European Liberalisation of the Ground Handling market, income differentials of up to 40% between workers, in different companies, have emerged.

As a result, a race to the bottom is playing out creating low income, poor qualification standards, increasing and unsustainable workloads and understaffing. Currently, there are 15-20% less staff per passenger in the German ground handling industry than before.

Ver.di, the union for airport workers is demanding a sectoral agreement that covers all airport workers in the country.

The German union is convinced that this will provide for stability and social justice for the sector. It is a mammoth and complex strategy that requires organizing both the workers and the employers into a single national sectoral agreement that would cover all ground handling companies who operate now or in the future in ground handling. It will provide a much-needed set of standard requirements that will halt the race to the bottom in ground handling in Germany.

Subsequently the sectoral agreement would include not just wage raises but also increased standards of qualification and better work-life balance for workers. Until Ver.di reaches the sectorial agreement with all employers of the industry, a national strategy of coordinated action will be carried out, linking and synchronizing local bargaining and increasing economic and social pressure to raise the standards.

47 http://www.equalityatunited.org
In the Netherlands, FNV-affiliated airport workers including cabin crew, ground handling staff, security staff and cleaners are fighting for decent jobs. Schiphol Airport is the most liberalized airport in Europe. The airport has a radical outsourcing and deregulation strategy (only 2,000 out of 65,000 airport workers are directly employed by the airport operator), resulting in high workloads and precarious jobs, as well as concerns over airport safety and security.

Workers have called on Schiphol Airport to take responsibility and introduce social standards. As Schiphol was unwilling to do so, workers had to resort to industrial action – a rare phenomenon in the Netherlands. There has been a series of successful work stoppages, resulting in improved pay and health & safety conditions as well as significant increases in permanent jobs. In addition, Eindhoven-based cabin crew of Ryanair are standing up for worker’s rights at the ultra-low-cost carrier. Publications and personal contacts are used to create public and political support for the campaign.

Meanwhile, the FNV is claiming a role in the current debate on aviation growth in the Netherlands. As FNV’s Leen van der List puts it, “Aviation growth isn’t a goal in itself. What we should aim for is good-quality jobs and a sustainable aviation sector.”

The FNV Schiphol Campaign aims to achieve not just one-off improvements; a key goal is to stop the race to the bottom. This requires an equal playing field guaranteed by social standards: all companies operating at the airport should pay a living wage, reduce workloads and offer job security. These social standards should be implemented through sectoral agreements, contracting policies and government regulations.

The second campaign goal is to build a strong union at the airport. This requires coalition-building across sectors, as well as organizing and training workers. As part of this effort, the FNV is training a group of activists who will play a key role in consolidating and further developing the position of airport workers at Schiphol Airport.
Two global union federations with affiliates in airports and aviation have joined together to support this group of active airport campaigns and organizing drives. This collaboration allows organizers and campaigners across these initiatives to share experiences, information, tactics and strategies in their common fight to bring decent work to airports and aviation.

The challenges are global as are the key aviation players and workers and unions in the Airports Group are determined to walk this journey together, coordinating where possible. There are tangible benefits of bringing workers together at the global level and the transfer of knowledge and experiences is dynamic and practical. Both UNI Global Union and the ITF are as determined as their affiliates to support the growth of active airport initiatives and to collectively find ways to address the race to the bottom in standards and pay that threaten the safety and security of our airports and have such a detrimental impact on the lives of workers and their career prospects.

The momentum is building, driven by the injustice workers face on a daily basis. As aviation expands into new markets the union movement must and will expand too. Workers and their unions are the one force that can bring sanity and justice to the industry.