



**ECA**  
Piloting Safety

## **Ryanair's new social clothes**

### **– Frequently (un)Answered Questions<sup>1</sup> –**

**Ryanair announced it will embrace unions and negotiate on issues that matter to their pilots. Is this what is happening right now?**

Yes, if you believe what Ryanair says. But seemingly not so certain if you look at the reality on the ground.

After its cancellation crisis, last autumn, and imminent strike threats in December 2017, Ryanair started to reach out to several unions across Europe.

Since then, it reached general 'recognition agreements' with pilot unions in the UK and Italy. These agreements are largely procedural in nature, describing how the airline and its pilot union Company Councils interact. They do not touch on any detailed terms and working conditions. These still need to be negotiated.

However, apart from these recognition agreements and from negotiations progressing in Italy, in most other cases, very little progress is being made, and some of the talks are by now completely stuck. Ryanair is portraying the unions as making unacceptable demands, continues to refer to its own unilateral pay increase already offered to individual pilots, but seems not to see that pilots aren't just interested in pay matters but in a much wider range of issues that affect their working life. Money is not the priority at this stage, it is the many non-pay related issues that matter most to Ryanair pilot representatives and their unions.

The rosy picture drawn by Ryanair in the media on their relationship with unions still needs to be backed up by tangible progress on the many issues of concern to their pilots.

#### **How are negotiations with pilots progressing?**

After over 30 years of an openly anti-union attitude, it appears Ryanair still has a lot to learn. It needs to show real commitment to engage in talks not only on their own narrow agenda – e.g. focused mainly on some specific pay-related issues – but on the many issues Ryanair pilots are interested in.

One of the main priorities at this stage is the need for a network-wide and transparent '[Master Seniority List](#)' for all Ryanair pilots across Europe, covering issues such as annual leave, base transfers within and beyond national borders, promotion &

---

<sup>1</sup> This document is a commentary by ECA as an observer that is not party to any negotiation or dispute.

upgrades, etc. Equally important is the need to give all pilots contracts that are governed by the laws of the country where they are based, incl. jurisdiction in that country, as well as obtaining a Collective Labour Agreement (CLA) that is enforceable under the national rules of the country of the pilot's base.

Finally, most other airlines leave it entirely to the union to decide who participates in meetings. Ryanair doesn't. It tries to decide who sits on the other side of the table, resulting in time and focus being lost from the concrete discussions that need to take place.

### **What's the issue of Ryanair wanting to decide who sits at the negotiating table?**

Ryanair refuses to have so-called 'competitor airline' pilots at the negotiations table. Some unions are large enough to have full-time officials and negotiators, but many others have limited resources and therefore rely on fellow pilot representatives. These may work for different airlines, but have unique knowledge and expertise in particular areas and/or experience in negotiations. This is common practice in many other companies, but Ryanair excludes them.

Ryanair also excludes a significant proportion of its own pilots. In fact, Ryanair imposes that it negotiates only with *directly* employed pilots. Its own Ryanair contract-agency and self-employed pilots are excluded from the negotiations team. It excludes them despite the fact that usually these pilots fly exclusively for Ryanair, receive their work schedules from Ryanair, and wear the same uniform as their directly employed colleagues.

Shouldn't all pilots that bring Ryanair's passengers safely to their destinations be embraced and represented at the negotiating table?

### **And what about negotiations with Ryanair Cabin Crew?**

Here, Ryanair still has to catch up a lot. In most countries, talks with the national unions still need to be kicked off, while in some – like in Germany or Portugal – initial talks took place and, more recently, general recognition agreements have been signed e.g. in Italy and in the UK.

However, discussions on detailed issues are not reported yet, and some of the talks had a difficult start, as the Cabin Crew strike in Portugal, early April, showed. As with pilots, Ryanair refuses to have contract-agency cabin crew at the negotiating table – despite the fact that a substantial share is hired through such broker agencies. It is therefore still too early to judge how meaningful Ryanair's outreach to cabin crew unions – and their European bodies EurECCA and ETF – will be. It is probably still a long journey to go to resolve the many issues that need to be addressed.

### **Are all Ryanair pilots really Irish employees?**

Ryanair still maintains the principle of 'Irish aircraft = Irish law = Irish contract'. It argues that the 'nationality' of its aircraft – which are registered in Ireland – determines where the work place is considered to be and which labour law governs their crews' work contracts.

This is opposite to common practice in most other airlines in Europe. Usually, pilots and cabin crew have contracts governed by the local law of the country where they work and habitually start and end their duties or a series of duties.

At the latest since the verdict of the [EU Court of Justice in the 'Mons case'](#) (Sept. 2017), this Irish concept is no longer viable. The ECJ rejected that the 'nationality' of an aircraft has any meaning. And it is clear that the verdict – which rules that crews are entitled to seek legal redress in the Courts of the country where they habitually work and start/end their duties – has a direct bearing on which labour/social law should apply to Ryanair's air crew and their contracts.

### **Why can't Ryanair pilots negotiate as one workforce instead of through national unions?**

Unlike many other areas, labour and taxation issues are not governed by EU legislation and remain the competency of each country, with different rules for each country. This is why national unions are the ones responsible for signing the collective labour agreements that apply to the pilots working in that country.

However, beyond remuneration, pensions, taxation, etc. there are many issues that affect all Ryanair pilots in the same way, irrespective of the country they work in. These 'transnational' issues range from procedures for transferring crews from one base to another (often in another country), to arrangements for working outside of the assigned 'home base', to annual leave allocation, to upgrades from first officer to captain, etc. It seems logical – and more efficient – to have one single set of negotiations with Ryanair about these topics directly with a delegation of pilots that is mandated to speak on behalf of the whole workforce, rather than to have multiple meetings to discuss the same issues and proposals every time.

Already in January 2018, national pilot associations from 12 countries wrote a joint letter to Ryanair's CPO Eddie Wilson and COO Peter Bellew, raising several issues of common pilot concern and inviting Ryanair to meet in February. Such a meeting could have started a fruitful process on 'transnational' discussions on cross-border issues. However, within hours, Ryanair rejected this initiative, stating it would not be 'wasting time with your suggested group, which lacks any legal standing or jurisdiction'.

### **Does improving working conditions for pilots mean that ticket prices will go up?**

Why should they? After Ryanair's cancellation crisis, last autumn – and the possibility of many experienced pilots leaving the company to join other competitor airlines – Ryanair unilaterally offered pay increases to its pilots – and yet, it announced big annual profits, in May 2018.

And as other low-cost airlines – such as easyJet – have shown: you can be a successful airline, offering competitive prices to the customer and generating big profits while being socially responsible, offering adequate terms and conditions, and employing crew directly – rather than through brokers or as 'self-employed' pilots, as Ryanair does for many of its crew. If easyJet can do it, why can't Ryanair?

## **Will there be strikes and cancellations?**

As progress within many of the national negotiations keep stalling, it is impossible to exclude strikes in the future (subject of course to compliance with relevant local laws) if Ryanair keeps sticking to their own narrow approach and fails to address the pilots' concerns. The less concrete progress made and the longer it takes, the more frustrations are likely to increase among pilots. And unions in some countries – such as Ireland and Germany – are balloting their pilot members for potential strike action.

But these ill-feelings could also lead pilots to simply leave Ryanair for those airlines that offer direct employment contracts governed by local law, and working conditions that pilots may regard as more attractive. In such a scenario, the impact on Ryanair's flight operations would have the potential to become quite similar to the one of strike action.

## **Can Ryanair and its pilots find ways to work together for a brighter future both for the company and its workers?**

Yes. Because most of its pilots would be keen to stay with the airline, if only a number of things change – and change quickly. To achieve this, Ryanair should offer to all their contractor and 'self-employed' pilots the opportunity to move to a *direct* employment contract under *local* law. And in the meantime, Ryanair should welcome all its pilots at the table when meeting the unions, rather than excluding contractors and 'self-employed' ones.

Also, Ryanair should provide sufficient time to the pilots who are part of the unions' Company Councils – to allow them to do meaningful union work and to do this not on their off-days.

Finally, Ryanair should stop focussing on a narrow pay and money related agenda, but open the way for genuine negotiations – at national and 'transnational' level – on the many wider issues that Ryanair pilots are interested in. Being paid adequately is only one small part of the equation. The other one concerns many key issues like transparent base transfers (within a country and between different countries), a Master Seniority List for all pilots across the entire network, and open and transparent Captain upgrade procedures, to name just a few.

If Ryanair is ready to make these changes, makes them quickly, and engages with an open mind in meaningful negotiations on such issues, the future of its social dialogue – and the future of its pilots staying with Ryanair as motivated employees – is a bright one.

\* \* \*

Final, 05/07/2018