

Lack of job protection for European pilots turns dream job into nightmare

Marianne Arens
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A growing number of pilots in Europe are compelled to accept short-term contracts, sham self-employment and insecure employment relations. This has been brought to light by an investigation into Ryanair pilots by the state prosecutor in Koblenz, Germany.

In early July, the tax collector of the finance controller for sham self-employment (FSK) searched several private rooms of Ryanair pilots suspected of tax evasion. In the course of this, the insecure employment relations to which airline captains are subjected became public.

It was revealed that many pilots are not even employed by the budget airline based in Dublin, but rather hired out to Ryanair by a British human resources firm. Some are considered self-employed and are supplied to the employer by a firm acting as middleman. Depending upon the location of their employer or home city, they must pay taxes in one or another location. Often, the pilots are unaware whether they are complying correctly with tax law.

The insecure employment relations brought to light in this case do not merely affect Ryanair pilots. As research by the University of Ghent shows, 16 percent of pilots in Europe currently work in so-called atypical employment relations. They are no longer permanently hired by an airline, but often only have temporary contracts. More than one third of those working under precarious conditions are employed through a job agency.

The study was conducted by the faculty of social law at the University of Ghent. In the autumn of 2014, the university questioned pilots online and then developed case studies in 11 European countries. A total of 6,633 pilots participated in the survey, more than 10 percent of pilots flying in Europe, thus making it a representative sample.

It is stated in the study: “Employers are increasingly resorting to the phenomena of outsourcing and downsizing. The labour market is increasingly characterised by atypical employment relations, including sham self-employment, encouraging a wide variety of types of employment relations.”

According to the study, 84 percent of pilots in atypical

employment relations work for low-cost airlines. These include, apart from Ryanair, Air Berlin Group, OpenSkys, XL-Airways, Norwegian, Sunexpress, and Wizz Air.

Many young pilots in the 20s and 30s age group are employed there. In this age group, the level of those in insecure employment is close to 40 percent. The study shows that young pilots today are subjected to far worse conditions than their older colleagues.

Most pilots questioned in the Gent study were in the 30-to-50 age group, and only a little over 3 percent had reached age 60. This shows that, thus far, older pilots had the option of stopping work early and making use of transfer programmes into retirement.

The atypical employment relations have grave consequences, not only for the conditions for pilots, but also for flight safety. Pilots are no longer paid a lump sum, such as with a fixed monthly salary, holiday and Christmas bonuses and regulated sick pay under a collective agreement. Instead, they are given temporary contracts and paid per hour. Even worse: whoever is considered self-employed is generally only paid for flying hours.

In a series about changed conditions for trainee pilots, the web site airliner.de reported on a conference at the private EUBF college in Bad Honnef. The subject of the seminar was the “influence of changed airline business models on becoming and being a pilot.” This report confirms that in the commercial airline industry, a fundamental paradigm shift has taken place.

In the 1980s, public air transport was largely dominated by state-owned airlines. A strict selection process was in place for pilots, and whoever made it to flight school could “look ahead to a bright future” (according to airliner.de). “Company internal training and permanent employment until reaching the age of 55, during the active employment period, generous benefits in line with a closely-regulated career pathway from flight school pupil to captain, subsequently more than adequate transitional provisions until the state pension age was reached, and finally a right to a pension at a comparatively high level.”

By contrast, pilots must now pay for their own training and can only dream of retiring at 55.

In Germany, training can cost up to €100,000. While the practical training in the cockpit or the achievement of the required 100 hours can only be obtained at an airline, the theoretical courses and flight simulator training are offered by independent flying schools.

Germany's Lufthansa has also outsourced its pilot training to an independent company. There is no longer any guarantee of employment at Lufthansa with this training. Future airline captains must also self-finance their training here, which is no longer "professional training" but "securing a licence," comparable with a truck licence for which everyone must pay for themselves.

The employer or airline generally assume responsibility for the cost of the practical section of the training, if the pilot commits to remain with the airline for a fixed period of time.

The so-called pay-to-fly contracts are particularly notorious, under which pilots pay an airline to complete a specified number of flying hours in the cockpit of their aircraft before the pilot even has a chance of being hired. At Ryanair, Air Baltic and Croatia, a future pilot must pay more than €20,000 for this.

In the Airliner report, it is stated that the training conditions for new pilots forms a "set-up which increasingly ends in tragedy."

In Germany, there is currently a pilot surplus of 50 percent, and 10 percent of trained pilots are officially unemployed. While the hourly pay for pilots in the cockpit has been increased within the European Union (EU), unemployed colleagues lose their skills and competencies over time, because they are not permitted to fly. At the same time, they carry a massive mountain of debt, while having no other qualification that would provide them access to the job market.

The advance of insecure employment relations in the cockpit at European airlines also has a devastating impact upon airline safety. This ultimately has consequences for the cabin crews, passengers and society as a whole.

An important part of flight safety is that the captain has the final say on board. In its study, the University of Ghent asked pilots if they had the opportunity to change the orders of their airline if they had reasonable objections. Many pilots employed under precarious arrangements acknowledged they were not in a position to do so because they would have to fear for their job. Even the question of how much fuel should be available for a particular trip could result in dangerous controversies.

"If I want to keep my job, I say absolutely nothing," a pilot told the Ghent researchers. They also reported on another pilot who wanted to check the luggage in the hold of

his aircraft, but was prevented from doing so by logistics. When he ordered the cases to be offloaded, he subsequently lost his job.

These problems do not only confront pilots at budget airlines. Pilots at Lufthansa are ultimately faced with the same attacks. They have conducted 13 strikes over recent years in opposition to the company's attacks on their pensions and retirement transition payments, and the conditions for new starts. But nothing was achieved in the end.

An agreement between Lufthansa and the Cockpit trade union is expected in the coming days or weeks, and it appears as though it will not differ fundamentally from the deals signed already by Verdi and the UFO union. These deals gave up important achievements previously won by workers.

The Cockpit union responded extremely defensively to the searching of the pilots' homes by the state prosecutor in Koblenz. Its vice president, Martin Locher, meekly called upon the airline to give up the "dubious business practices," and offer their employees "normal market employment conditions." Ryanair then arrogantly responded that it was ready and willing to cooperate with the German authorities, and urged its pilots, whether self-employed or working for the company, "that they always comply with the relevant tax obligations."

The working conditions for airline captains have been totally transformed over the past 30 years. In the context of globalisation, state airlines have been privatised, and charter and budget airlines emerged. The nationalist perspective of the trade unions has proven to be utterly bankrupt in the face of this development. They have lined up with the airline companies and cooperated in organising the attacks on working conditions.

Along with pilots, cabin crew, ground staff and their colleagues throughout the world are subject to the same attacks. They must unite their struggles and require a new perspective, which is anti-capitalist, socialist and internationalist, to do so.



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