



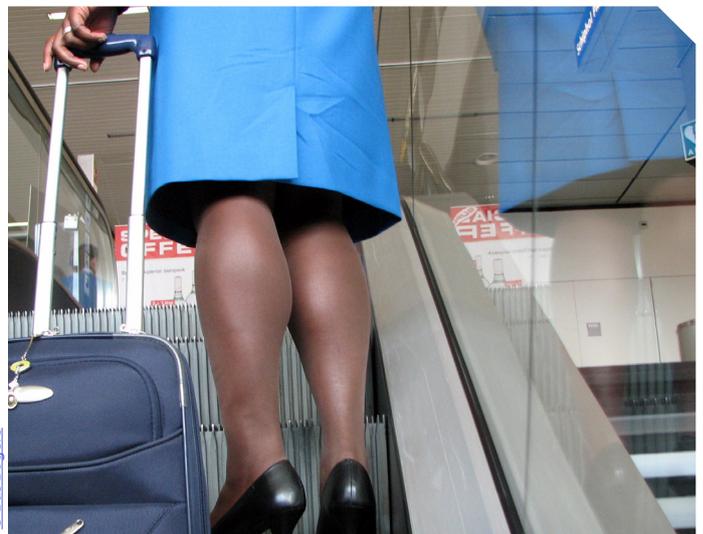
► ILO Sectoral Brief

Date: 9 April 2020

COVID-19 and civil aviation

Infectious diseases and pandemics are drivers of change that cause “greater than average impact and uncertainty” in the aviation sector.¹ To curb the spread of COVID-19, a combination of flight cancellations and country-specific restrictions (travel advisories and bans) have almost entirely halted international travel.² In some cases, these restrictions also include air cargo, even though it is instrumental in combating COVID-19 by delivering much-needed medicine and medical equipment and keeping global supply chains functioning for time-sensitive materials.³

Aviation workers will be negatively affected. Airlines and airports are confronting myriad issues as a result of the pandemic. Cost-reduction strategies may include a wide range of policies that will have an impact on employment and decent work in the sector.



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Flight attendant at the airport of Schiphol, Amsterdam.

► 1. The impact of COVID-19

The effects of COVID-19 will differ from those of previous epidemics. According to the International Air Transport Association (IATA), previous outbreaks of disease (including SARS, H1N1 and MERS) have peaked after one to three months and pre-outbreak levels of travel have been recovered within six to seven months.⁴ This time, recovery may not come six months after the end of the crisis.⁵

The effects of COVID-19 have impacted aviation demand and will translate into significant losses. Due to the severity of travel restrictions and the expected global recession, IATA estimates that industry passenger revenues could plummet by US\$252 billion⁶ (or 44 per cent below the 2019 figure).⁷

1 International Air Transport Association (IATA) (2018). [Future of the airline industry 2035](#), p. 7.

2 Ghosh, I. (2020). [This chart shows you how airlines are being grounded by COVID-19](#), World Economic Forum, 21 March.

3 IATA (2020). [Air cargo essential to fight against COVID-19](#), Press Release No. 14, 17 March.

4 Pierce, B. (2020). [COVID-19 - Updated impact* assessment of the novel Coronavirus](#), IATA, 5 March.

5 Pierce, B. (2020). [COVID-19: Updated impact assessment](#), IATA, 24 March.

6 On 5 March, IATA's original worst case scenario amounted to a US\$113 billion loss. But on 24 March, IATA revised its estimates.

7 Pierce (2020). [COVID-19: Updated impact assessment](#), op. cit., 24 March.

The civil aviation sector directly employs 10.2 million workers worldwide.⁸ They include airline pilots and crew members, airport operators, on-site airport enterprises (restaurants and retail), aircraft manufacturers and air navigation service providers. In addition, the sector enables and supports 65.5 million jobs in a range of interconnected sectors, such as services and tourism.⁹ [Annex I](#) provides data on direct jobs and jobs supported by the aviation sector (a global summary and a country-by-country snapshot).

- **Mobility restrictions:** current restrictions on mobility in some regions may impede the ability of workers to come to work. Adequate information on mobility restrictions is vital to pilots and flight attendants on landing or lay-over.

Main impacts on employment

The impact of the pandemic on employment has been immediate and significant. Cancellations and restrictions have already affected the labour market, including job losses and the cost-cutting measures implemented by airlines. The industry's response has been varied, ranging from immediate and unilateral to considered and consultative.

The effects of COVID-19 include but are not limited to:

- Agreements on reduced hours of work
- Agreements on wage reductions
- Unilateral wage reductions
- Agreements on paid and unpaid leave
- Hiring freezes
- Lay-offs

Other workplace impacts

The pandemic has had an impact in aviation workplaces. For example, civil aviation workers are subject to occupational risks. Current disruptions, cancellations and restrictions due to COVID-19 may result in:

- **Violence and harassment:** delays, cancellations and refund practices may increase episodes of passenger rage;
- **A lack of confidence in workplace safety:** cleaning protocols and, in some cases, personal protective equipment, are critical to both reducing the spread of coronavirus and helping restore passenger and worker confidence in air travel;
- **Inadequate information and stress:** increased worker communication and adequate information are critical to reducing the spread of false information among colleagues;
- **Stigma and discrimination:** the implementation of confidentiality policies may help when putting in place testing and quarantine protocols;

⁸ Air Transport Action Group (2018). [Aviation benefits beyond borders](#).

⁹ *ibid.*

► 2. Responses by constituents and partners

Tripartite responses, involving workers, employers and governments, can help in addressing the human resource implications of the pandemic. In addition, there is “clear evidence that social dialogue is an effective and preferred means to achieving a feasible, successful and acceptable business model for the current aviation climate”.¹⁰

International sectoral frameworks and resources

The aviation sector has previous experience and has developed valuable mechanisms and tools to manage communicable diseases and pandemics.

A number of guidelines and international, national and multi-stakeholder coordination mechanisms and protocols exist to guide national authorities and air carriers in the event of outbreaks of disease. The most relevant include:

- Collaborative Arrangement for the Prevention and Management of Public Health Events in Civil Aviation (CAPSCA):¹¹ COVID-19 official [website](#)
- International Civil Aviation Organization (ICAO): COVID-19 Q&A [website](#)
- World Health Organization (WHO): Coronavirus disease (COVID-19) Pandemic [website](#) and the new [Operational considerations for managing COVID-19 cases or outbreak in aviation](#), interim guidance, published on 18 March
- An ICAO and WHO [Joint Statement on COVID-19](#) has been issued and Member States have been urged to increase funding for CAPSCA and follow the programme’s guidance and advice
- IATA guidelines: a number of [IATA industry guidelines](#) exist on emergency response preparedness for airlines, cabin crew, maintenance crew, cargo and baggage handlers, passenger agents and cleaning crew

- The International Transport Workers’ Federation (ITF) has issued [advice](#), in which it refers to the IATA guidelines mentioned above
- The International Federation of Air Line Pilots’ Associations (IFALPA) has issued [guidance for crews](#)
- At the regional level, the European Union Aviation Safety Agency (EASA) has issued Guidance on Management of Crew Members in relation to the SARS-CoV-2 pandemic, the [EASA Guidelines – COVID-19](#)

Calls for action

► IATA

With the increasing risk of pandemics, a global and collaborative approach to managing infectious diseases is becoming ever more important. IATA has issued a wide range of guidance and operational procedures to ensure that the industry remains vigilant and prepared. But it has also emphasized the increasingly important role to be played by all stakeholders, and particularly governments, in ensuring that responses are in line with WHO guidance and international health regulation.¹² IATA has also issued calls for action to state regulators for the adoption of measures to alleviate the acute impact on the industry of the progression of COVID-19, including:

- **The global suspension of slot use rules:**¹³ slot rules generally require airlines to provide at least 80 per cent of services for each airport slot that is allocated (“use it or lose it”). The suspension of these rules would allow airlines to adjust capacity in accordance with the real demand for air travel.
- **Keeping supply chains open** by excluding air cargo operations from some COVID-19-related travel restrictions and the removal of key obstacles to the movement of cargo.¹⁴ Support for temporary traffic rights may help to alleviate bottlenecks affecting the delivery of medical supplies.

¹⁰ Harvey, G. and P. Turnbull (2009). [Sectoral coverage of the global economic crisis: The impact of the financial crisis on labour in the civil aviation industry](#), Sectoral Activities Department, ILO, Geneva, p. 15.

¹¹ CAPSCA is an ICAO global programme to improve preparedness planning and response to public health events that affect the aviation sector, such as an influenza pandemic or a nuclear power plant accident.

¹² IATA (2018). [Future of the airline industry 2035](#), op.cit.

¹³ IATA (2020). [IATA requests global suspension of slot rules due to coronavirus](#), Press Release No. 8, 2 March.

¹⁴ IATA (2020). “Air cargo essential to fight against COVID-19”, op. cit.

- **Alleviation of some provisions of the regulations on air passenger rights¹⁵** to support airlines with regard to flight cancellations and allow them flexibility to extend rebooking or provide vouchers in lieu of refunds.
- **Provision of financial means by governments:** IATA has called on governments to adopt comprehensive rescue packages to provide immediate, medium- and long-term relief for airlines and their employees. To a great extent, essential future air transport connectivity will depend on these relief measures, which may include:¹⁶
 - o Direct financial products to support liquidity
 - o Loans, loan guarantees and support for corporate bond markets by the government or central bank
 - o Tax relief
- **Postponement of fees:¹⁷** mainly airport and air navigation fees

► **ITF**

Workers' organizations have issued calls to remain active stakeholders as COVID-19 progresses and in the recovery. A general ITF call for action in five key areas includes the following principles:¹⁸

- Protecting workers vital to the COVID-19 response
- Putting health and safety first
- Providing income protection for all workers
- Government-led stimulus measures to keep the economy going
- Maintaining sustainable supply chains

In accordance with these general principles, the ITF Aviation Section has issued a specific call for action, recommendations and guidance¹⁹ to governments and aviation employers, as set out in [Annex II](#).

Countries in action: National responses

As of 7 April, most of the known measures for civil aviation have included financial assistance from governments in the form of loans or financial packages. The following points summarizes the information available on publicly available online sources.²⁰

► **Brazil^{21, 22}**

The Government has proposed to:

1. Postpone the payment of fees (air navigation, airport concession and ticket refunds for cancelled flights).
2. Make financial tools available - special credit line.
3. Waive slot allocations until the end of October 2020.
4. Apply a general temporary suspension of employment contracts. Provisional Decree MP 927 allows for the temporary suspension of employment contracts for up to four months.

► **European Union^{23, 24}**

The European Union (EU) has waived the slot use rule (suspension of the "80-20 rule") for the whole of the summer season.

A former EU Climate Commissioner has recommended that aviation financial packages should be subject climate-related conditions.

► **Norway²⁵**

The Government has offered US\$270 million in loan guarantees to Norwegian airways.

15 IATA (2020). [Remarks of Alexandre de Juniac at the IATA media briefing on COVID-19](#), Pressroom, 17 March.

16 *ibid.*

17 *ibid.*

18 ITF (2020). [Covid-19: ITF global demands for governments and employers](#), 23 March.

19 ITF (2020). [ITF Aviation demands action to address the impact of COVID-19](#), 3 April.

20 The table has been prepared for information purposes only. Actual measures and official documents may differ.

21 IATA (2020). [IATA thanks Brazilian Government for supporting aviation industry in face of COVID-19](#), Pressroom, 20 March.

22 Web 24 News (2020). [Bolsonaro, by decree, allows companies to suspend employment contracts for four months](#). 23 March.

23 IATA (2020). [Statement: EU waives slot use rule for summer season](#), Pressroom, 27 March.

24 Coffey, H. (2020). [Airline bailouts must be 'conditional' on carriers lowering emissions, says EU climate commissioner](#), The Independent, 02 April.

25 Powley, T. (2020). [Norwegian air rescue highlights dilemmas for governments](#), The Financial Times, 20 March.

► **New Zealand**²⁶

The Government has agreed to help the nation's main airline, Air New Zealand, by providing a US\$509 million standby loan.

► **Singapore**²⁷

Financial package: Singapore Airlines has secured up to SGD19 billion (US\$13 billion) of Government funding. The conditions applicable to the package may need additional clarification, specifically on whether it will benefit the airline's workers.

► **United States**²⁸

Financial package with conditions:

1. Offers US\$58 billion to United States airlines, split evenly between loans and payroll grants.
2. Prohibits stock buy-backs and share dividends for at least a year after the loans have been repaid. It also restricts executive compensation.
3. Airlines would be prohibited from laying off or furloughing employees up to September 2020.

26 *ibid.*

27 Al Jazeera (2020). [Singapore Airlines gets \\$13bn lifeline as airlines beg for help](#), *AJ Impact/Airlines*, 27 March.

28 Slotnick, D. (2020). [Airlines will get the \\$60 billion bailout they asked for in the \\$2 trillion coronavirus stimulus bill that Trump signed into law. It also prohibits layoffs, stock buybacks, and dividends](#), *Business Insider*, 27 March.

► 3. ILO tools and responses

Aviation does not have an international regulatory framework similar to that of the maritime sector.

There is no civil aviation equivalent to the maritime “freedom of the seas” agreement.²⁹ Participants at the 1944 Chicago Conference agreed upon rudimentary multilateral freedoms and generally left a nation-to-nation system of bilateral agreements³⁰ to be negotiated between countries.³¹ In the 1990s, despite many attempts, there was no agreement to include air transport services in the World Trade Organization’s General Agreement on Trade in Services. As a result, airlines are governed by the so-called nationality clause.³² This clause and significant profitability challenges have hampered the development of international guidance on labour issues in the sector since 1945.

Aviation is the “business of (national) freedom”. The Appendices to the Convention on International Civil Aviation (1944), known as the Chicago Convention, on staffing issues generally have a strong focus on safety and training, but leave it to member States to decide on the conditions of work of crews based on national labour regulations.³³ This approach has slowed down the development of international regulatory guidance on decent work in the sector.

International labour standards

International labour standards offer a tried and trusted basis for policy responses and a sustainable and equitable recovery.³⁴ Today, international labour standards and the ILO Decent Work Agenda – namely, jobs, social protection, social dialogue and rights – are pillars of the 2030 Agenda.³⁵ The ILO also has experience of providing advice and guidance relating to the world of work in a context of labour market shocks, including in the civil aviation sector. However, the ILO does not have specific sectoral instruments or tools for the sector.³⁶

The ILO has issued guidance and technical notes in relation to the COVID-19 pandemic,³⁷ as indicated in Figure 1.

29 See the [United Nations Convention on the Law of the Sea](#) (1982). Prior to the adoption of the Convention, centuries of case law had already developed the doctrine of “freedom of the seas”.

30 And its additional Protocol Relating to an Amendment to the Convention on International Civil Aviation [Article 83 bis], signed at Montreal on 6 October 1980.

31 Debage, K. (2014). “The geopolitics of air transport”, in Goetz, A. and L. Budd (eds.). *The geographies of air transport*, Routledge, New York.

32 *ibid.*

33 But they can seek finance from international investors. For example, the “[Aircraft Protocol to the Convention on International Interests in Mobile Equipment](#) (2001) allows airlines to reduce borrowing costs and access international finance. The international aircraft registration system set out in the Protocol has increased the efficacy of rights for international investors, lessors and operators of maintenance and repair organization (MRO) services. See: Fenech, T. (2015). [Ship & aircraft finance](#), Powerpoint presentation.

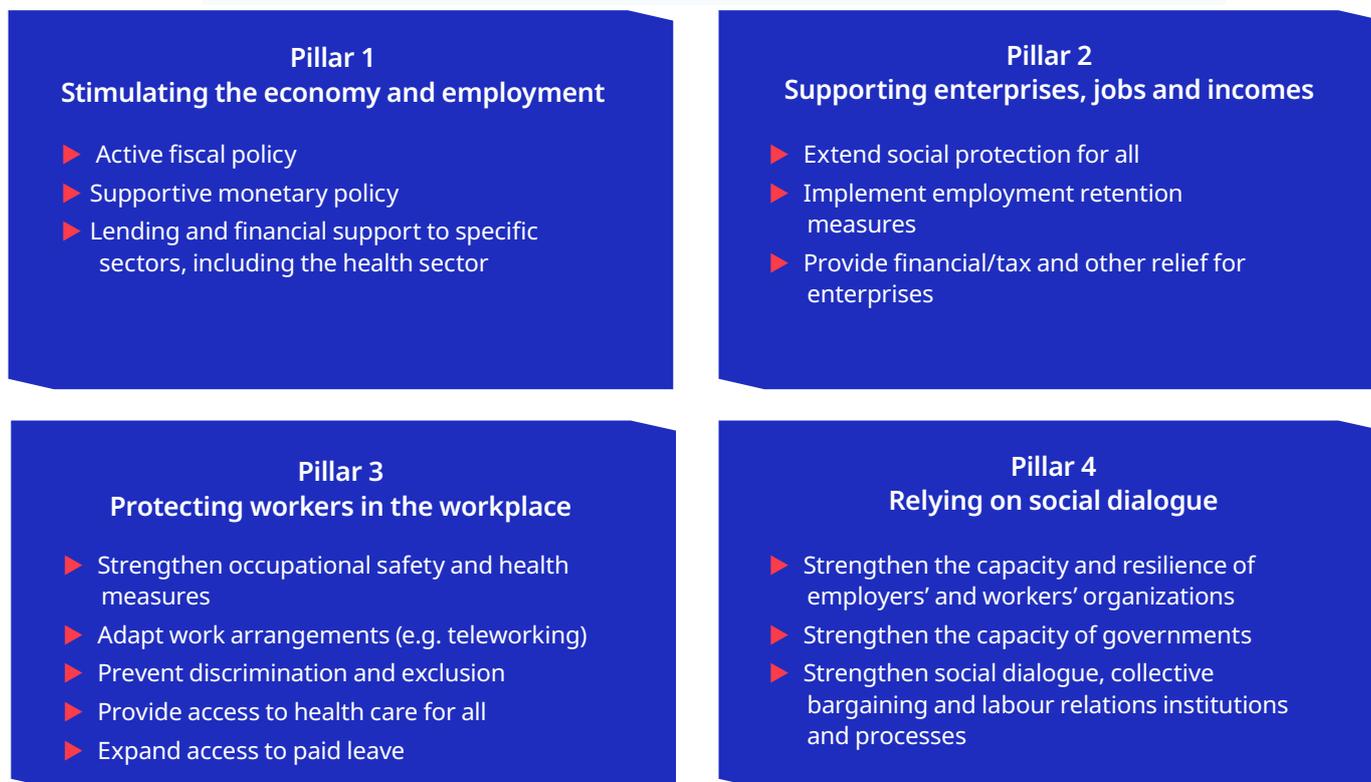
34 ILO (2020). [Why International Labour Standards matter in a public health crisis](#), video, Geneva, 27 March.

35 Ryder, G. 2019. [ILO Speech as General Assembly Marks International Labour Organization Centenary](#). 10 April.

36 The ILO has held joint and tripartite meetings on civil aviation in 1956, 1960, 1974, 1977, 1979, 1990, 2002 and 2013 at which conclusions and points of consensus were adopted, although two meetings of experts on civil aviation did not adopt an outcome (the 1956 and 1990 meetings).

37 As of 7 April 2020, these include: [COVID-19 and world of work: Impacts and responses](#), 18 March; [New guidelines to help employers support families during COVID-19](#), ILO and UNICEF, 30 March; [Social protection monitor on COVID-19](#), updated on 6 April; [ILO standards and COVID-19 \(coronavirus\)](#), 27 March; and ILO Monitor 2nd edition: [COVID-19 and the world of work: Updated estimates and analysis](#), 7 April.

Figure 1: Four key pillars to combat COVID-19 based on international labour standards



Source: based on ILO (2020). [COVID and the world of work: Updated estimates and analysis](#), op. Cit.

Other ILO resources

The ILO has published reports and working papers dealing with the aviation sector and its crises. Most have addressed issues related to security, financial crises and epidemics. Over the past two decades, ILO sectoral aviation publications have included:

- [Restructuring of civil aviation: Consequences for management and personnel](#) (2001)
- [Social and safety consequences of the crisis subsequent to 11 September 2001](#) (2002), an issues paper for discussion at the Tripartite Meeting on Civil Aviation
- [The impact of the restructuring of civil aviation on employment and social practices](#) (2002, Essenberg, B.)
- [Civil aviation: The worst crisis ever?](#) (2003, Essenberg, B.)
- [The impact of the financial crisis on labour in the civil aviation industry](#) (2009, Harvey and Turnbull, op. cit.)
- [Civil aviation and its changing world of work](#) (2013), an issues paper for discussion at the Global Dialogue Forum on the Effects of the Global Economic Crisis on the Civil Aviation Industry
- [Women in aviation: Quality jobs, attraction and retention](#) (2019, Seligson, D.)

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► Annex I. Jobs in aviation

Table I.1. Jobs supported by the aviation sector: Global summary

► Direct jobs					► Jobs supported by aviation
Airport operators	Other on-airport	Airlines	Civil aerospace	Air navigation	
525,000	5.6 m	2.7 m	1.2 m	233,000	65.5 m
5%	55%	27%	11%	2%	10.2 m: direct 10 m: indirect 7.8 m: induced 36.7 m: tourism catalytic

'm' = millions

Source: Air Transport Action Group (2018). Aviation benefits beyond borders, op. cit.

Table I.2. Jobs supported by the aviation sector: Snapshot of selected countries

Country	Direct jobs	Jobs supported by the aviation sector
► Argentina	71,000	329,000
► Brazil	167,000	839,000
► Canada	241,000	633,000
► China	1.4 m	6m
► Colombia	71,000	600,000
► Ethiopia	19,000	1.1 m
► France	273,000	1.1 m
► Germany	315,000	1.1 m
► Japan	301,000	1.4 m
► Indonesia	115,000	4.2 m
► Mexico	278,000	1.4 m
► Netherlands	85,000	306,000
► Philippines	45,000	1.2 m
► Russian Federation	290,000	1m
► Thailand	172,000	4.3 m
► United Arab Emirates	180,000	777,000
► United Kingdom	353,000	1.6 m
► United States	2.2 m	6.5 m

'm' = millions

Sources: IATA (2019). The importance of air transport to [Argentina](#); [Brazil](#); [Canada](#); [China](#); [Colombia](#); [Ethiopia](#); [France](#); [Germany](#); [Japan](#); [Indonesia](#); [Mexico](#); [Netherlands](#); [Philippines](#); [Russian Federation](#); [Thailand](#); [United Arab Emirates](#); [United Kingdom](#); [United States](#); IATA Economics Reports.

► Annex II. ITF Aviation calls for action

Taken from: [ITF Aviation demands action to address the impact of COVID-19](#), 3 April

► The ITF calls upon governments to negotiate with trade unions to:	► The ITF calls upon aviation employers to recognize and negotiate with trade unions to:
1. Recognize aviation as a public good that warrants strong government, regulation and oversight, planning, investment, and where appropriate, public ownership.	1. Identify threats to workers health, rights and welfare, and to develop and implement workplace responses.
2. Establish and enforce a minimum level of transport connectivity, use 'travel bans' only as a last resort, and exclude air cargo operations from any travel restrictions.	2. Provide free medical testing, treatment, training, equipment and facilities for the training of all workers and of any workers who perform any form of medical service as a result of COVID-19.
3. Establish national tripartite aviation bodies of labour, government and employer representatives to develop strategies, coordinate investment and financial responses, plan the supply of labour, and oversee all aviation operations.	3. Guarantee paid leave, in the form of sick pay or holiday pay from the first day of leave for any workers threatened or infected by COVID-19, and protect wages and full pay for all workers through a variety of means, mutually agreed through collective bargaining.
4. Immediately extend sick leave entitlements, maintain incomes and extend social protection to all workers, including formal, precarious and informal workers, regardless of their employment status.	4. Recognize and exercise their duty of care for all workers in their business and supply chain, provide formal and direct employment where possible, and guarantee the transfer of undertakings for subcontracted labour where direct employment is not possible.
5. Reduce subcontracting and outsourcing of airport services and jobs and, where appropriate, mandate airport authorities to directly manage and/or employ all airport staff, including outsourced and agency workers in ground handling, security, cleaning and all airport services.	5. End precarious and non-standard forms of work in their business and supply chain to protect the health, safety and welfare of workers and passengers.
6. Prioritize the use of airports for airlines with higher levels of public ownership to improve the financial sustainability of public assets.	6. Improve scheduling, days of work and working hours to protect jobs and the health and safety of workers.
7. Offer conditional financial relief and support packages to airlines, airport authorities and supply chain companies, including through debt relief, delays to tax and duties, and public ownership of shares.	7. Agree sustainable rates for shareholder rewards, dividends and executive pay as the threat of coronavirus declines.

Cont. Taken from: [ITF Aviation demands action to address the impact of COVID-19](#), 3 April

► The ITF calls upon governments to negotiate with trade unions to:	► The ITF calls upon aviation employers to recognize and negotiate with trade unions to:
<p>8. Agree conditions, if they are not already in place, for these financial and support packages, including on the private repurchase of shares following the recovery of the industry, that:</p> <ul style="list-style-type: none"> • Protects the pay, terms, conditions and welfare of all aviation workers; • Prohibits share repurchases, shareholder rewards and excessive executive pay; • Democratizes ownership and governance, including through worker representation on the company board; • Respects International Labour Organization (ILO) Conventions regarding freedom of association, collective bargaining, forced labour, discrimination and occupational health and safety for all workers. 	<p>8. Ensure all workers can return to their habitual place of work should local and/or national containment measures financially or logistically inhibit them from doing so.</p>
<p>9. Cap profit levels to ensure reinvestment in debt reduction, fleet modernization, staff training and education and other measures that enrich the company.</p>	<p>9. Protect the privacy and personal information of workers who undergo medical and other examinations and checks as part of responses to the threat posed by COVID-19, and share with trade unions any data contributing to corporate decision-making.</p>
<p>10. Prohibit shareholder rewards, excessive executive pay and share repurchases during the crisis.</p>	<p>10. Respect ILO Conventions regarding freedom of association, collective bargaining, forced labour, discrimination, and occupational health and safety for all workers.</p>