N. 104 - Trimestriel : Octobre/Novembre/Décembre 2020
Exp. GRESEA, Rue Royale 11, 1000 Bruxelles, Belgique
Prix : 6€

Belgique-België
P.P. Bruxelles 1
1/1770
P601044
Envoi
non prioritaire
à taxe réduite

GRESEA ÉCHOS N. 104

GRESEA ÉCHOS

Revue trimestrielle du Groupe de REcherche pour une Stratégie Économique Alternative

RYANAIR MUST CHANGE

THE LOW-COST BATTLE

GRESEA

"RYANAIR MUST CHANGE"
THE LOW-COST BATTLE

OVERVIEW

A study by Bruno Bauraind
and Jean Vandewattyne

Editorial

All-out strike against 21st century industrial despotism

1. Ryanair, a neoliberal utopia

2. Workers mobilization at Ryanair

3. Ryanair workers' trade union struggle

4. What Ryanair has taught us

Photo: Cabin Crew United. (3 July 2018). We're getting down to work on how to win a better deal for cabin crew - the Ryanair Crew Summit is happening! #cabincrewunited. Facebook.

EDITORIAL

All-out strike against 21st century industrial despotism

In the midst of the Covid-19 pandemic, whilst Ryanair's planes were grounded, the company was laying-off workers and demanding pay cuts as management decided to bear the cost for new Boeing aircrafts. A tell-tale sign for the industry observers. In the aftermath of the pandemic, Ryanair wanted to strengthen its position as Europe's leading airline. For the company's workforce, yet another slap in the face and further instalment in a struggle that has been fuelled for over 20 years.

The ongoing battle led by Ryanair staff is emblematic in many ways. First of all, it takes place in an airline company that represents the archetype of the neoliberal company, characterised by shareholder despotism that weighs heavily on the company and its workers. To meet its profitability requirement, the company's management has pushed the low-cost model to the extreme. For example, wages are significantly lower than in

other companies. Management demands a great deal of flexibility from employees. At Ryanair, aircrew (pilots and co-pilots) are encouraged to register as personal service companies. As for the cabin crew (flight attendants), some of them used as subcontractors by the Irish company. More recently, in Poland, Ryanair is experimenting labour platforms in hiring self-employed contractors. In an age where happiness in the workplace is used as a cover-up for the deterioration of employment and working conditions, the Irish company is almost a counter-model, as it seems to be returning to pure industrial despotism, with relative transparency. Whether sad or happy, it doesn't matter what employees feel. Only the efficiency and availability of people's bodies and minds count.

The profile of Ryanair's workforce is also unique. The cabin crew are mainly young men or women, mostly from working-class backgrounds with little or no professional prospects in their countries of origin and generally with little knowledge of the fight for social justice. They are systematically deterritorialised and subjected to very strict disciplinary procedures by the company. Precarious wages and job insecurity lead them to flat-sharing near airports. Aircrew have higher pay, but wages at Ryanair are lower than in other airlines. The profession is characterised by strong corporate identity and pilots tend to turn away from collective action.

Albeit, Ryanair was faced with the first transnational offensive strike in European social history. In multinational companies, worker solidarity is traditionally triggered in times of crisis, when workers and their unions adopt a defensive position. In 2018, some employees at Ryanair rallied not so much to limit job losses, but to demand pay rises and put an end to a particularly unfavourable social model. For them, it is obvious that Ryanair must change.

In Europe, since the 1980s, company strikes over wages or working conditions in the private sector have declined significantly. Social conflict is focused on the state, where trade unions try to limit the impact of neoliberal reforms[1]. The results are somewhat underwhelming. The story of Ryanair workers is therefore in contrast to this trend. That is why it is important to understand the context and the motivations behind this remarkable trade union movement. In order to do this, it is to essential understand the business model and the workforce mobilization model that lie at the heart of Ryanair's commercial and financial success. Then, a detailed account of the workers' struggle will be outlined before highlighting some useful observations from the 'Ryanair case'. This *Gresea Échos* is based on fieldwork conducted over two periods: 2012-2013 and 2019-2020. Consequently, it gives a voice to the militants and their struggle. This study is dedicated to them.

1. Haman, K., Jonhston, A. and Kelly, J., "Unions Against Governements: Explaining General Strikes in Western Europe, 1980-2006", *Comparative Political Studies*, n°46, p. 1030-1057.

Photo: Bram Donkers. (12 August 2013). Ryanair's Lottery – Flickr CC BY-NC-SA 2.0.

GRESEA ECHOS N. 104
"RYANAIR MUST CHANGE"
THE LOW-COST BATTLE

Bruno Bauraind *Gresea*
Jean Vandewattyne *UMons*

Ryanair, a neoliberal utopia

Often considered the pinnacle of the low cost business model, Ryanair is much more than that. It has contributed to changing business and social practices in the airline industry. Here's a look back at the history of a neoliberal experiment.

Ryanair, a neoliberal utopia

Bruno Bauraind *Gresea*
Jean Vandewattyne *UMons*

Ryanair was founded in 1985 by the Ryan family. At the time, the company had only one twin-engine aircraft serving an initial route between Waterford Airport (South East Ireland) and Gatwick (London). The following year, Ryanair acquired a second aircraft and, more importantly, offered a return ticket from Dublin to Luton Airport (London) for £99, half the price of the two competing airlines (the Irish national airline Aer Lingus and British Airways)[1].

Thirty-five years later, Ryanair owns, according to its website, a fleet of 475 Boeing aircraft and ordered 210 in 2019 to ensure its future development. The company employs 19,000 'highly qualified professionals', a figure that has more than doubled since 2012. Operating in 40 countries, it has 82 bases or hubs and 2,400 daily flights. In 2019, it transported more than 152 million passengers and the occupancy rate of its aircraft exceeded 90%. Before the Covid-19 pandemic, the company hoped to increase its annual traffic to 200 million passengers.

In 2019, Ryanair Holdings PLC became the parent company of a multinational group of other subsidiary airlines such as Buzz, Lauda, Malta Air and Ryanair DAC[2].

Over the last decade, Ryanair's turnover (sales) has grown steadily (**Figure 1**) and its profit rate is higher than that of its main competitor, easyJet. The return on shareholder investment in Ryanair has averaged 23.3% over the last decade. As shown in **Figure 2** , with the exception of 2013, Ryanair is a more profitable investment than easyJet. Since 1997

1. Fletcher, Christian, *Ryanair. Low cost, but at what cost?* Paris, Altipresse, 2013.
2. Ryanair, *About Us*, [Online], 2020. (accessed 20 January 2020).

Chart 1. Ryanair's turnover
Source: www.mirador-multinationales.be

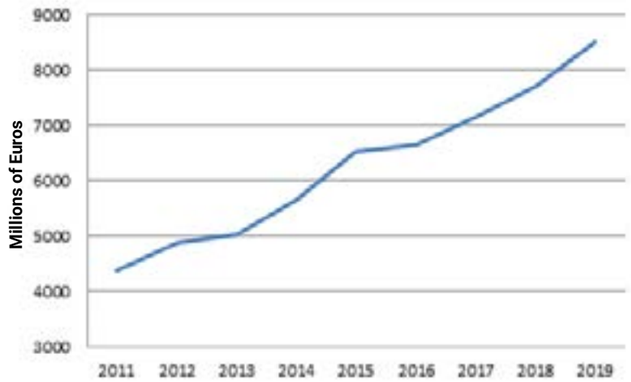
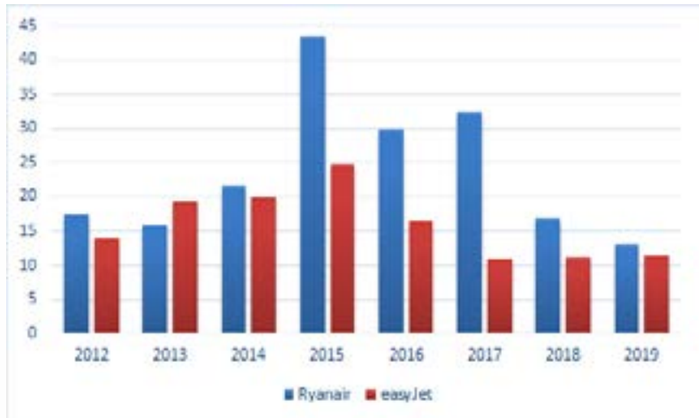


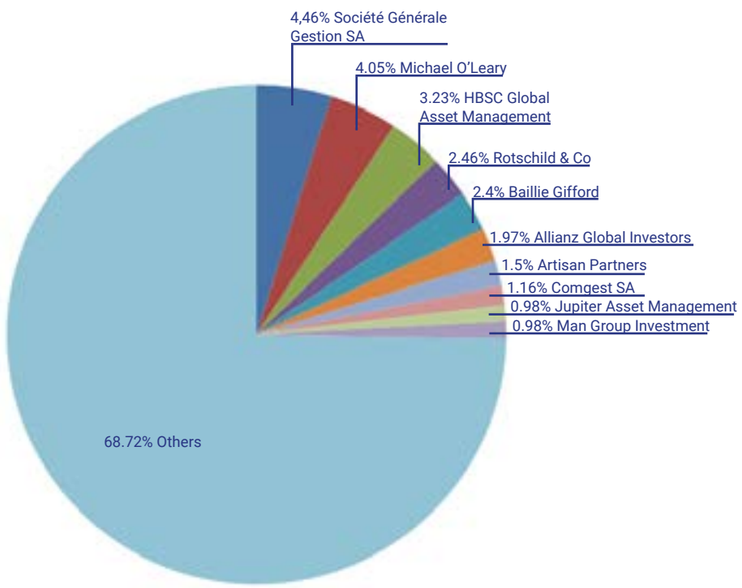
Figure 2. Ryanair and easyJet profit rates compared (%)
Source: http://www.mirador-multinationales.be/



and its public listing on the Dublin and New York stock exchanges, the company's commercial and financial performance has gradually attracted major venture capital funds. In 2019, In 2019, the institutional investor Société Générale and investment bankers HSBC and Rothschild were the largest shareholders in the Irish company alongside its chairman Michael O'Leary. The latter has significant power within the company. First of all, he is the group's top executive. In 2018, in a year disrupted by strikes, he was re-elected as Managing Director by 98.5% of shareholders[1]! In August 2019, his power was strengthened when he was appointed head of the holding company. Since then, he has been managing all the group's subsidiaries. Eddie Wilson, former Director of Human Resources, is now the Managing Director[2]. In addition to his executive functions, O'Leary is also one of the key owners of the group with more than 4% of the capital (**figure 3**).

1. *RTBF info*, 20 September 2018 [online].
2. *Le Soir info*, 30 August 2019 [online].

Figure 3. Ryanair shareholders (2019)
Source: http://www.mirador-multinationales.be/



How, in just thirty-five years, did Ryanair become Europe's largest airline group, one of the world's top ten airlines in terms of passengers numbers, and a highly profitable investment for institutional investors?

The price of tickets is, without a doubt, one reason. However, it is important to understand what determines this price. As we shall see, the 'low cost' concept brings together airlines under the same economic model but each of them cultivates its own specific features and they often have very different strategies. Ryanair is not only the European benchmark for low cost, it is also the most aggressive example. This is why, in his book on the subject, the economist Emmanuel Combe describes the Irish company's strategy as 'ultra low-cost'[1].

This article first questions the political and economic environment that enabled the emergence and success of Ryanair: the neoliberalisation of the European economy. Then, we will return to the characteristics of the low cost business model and its radical adaptation by the Irish company. Finally, we shall compare Ryanair with easyJet and Vueling, two competing airlines in the low-cost sector, to determine what differentiates the former from its competitors.

(Neo)liberalisation and low cost business

As mentioned above, it is difficult to separate Ryanair's low cost strategy from the person who developed it: Michael O'Leary. In 1987, two years after its creation, the Irish company was faced with real financial problems. The company had made a loss of

1. Combe, E., *Le low cost* (The Low Cost), Paris, La Découverte, 2019.

over £16 million[1]. By 1990, the sustainability of the company was clearly in question. At the time, O'Leary was the personal financial advisor to Tony Ryan, the company's founder. After training in accounting, he joined Stokes Kennedy Crowley (KPMG). His training enabled him to master the intricacies of Irish taxation. In 1991, Ryan stepped down from the executive management of his company and appointed Michael O'Leary as Deputy Managing Director. O'Leary was then sent to the United States to study the low-cost airline, Southwest Airlines.

The first use of low cost was in food retailing after the Second World War with Aldi in Germany. But it was in the 1970s that it achieved its most rapid development in the US airline sector. While many US airlines failed to make this business model viable, Southwest Airlines succeeded. Launched in 1971 by Herbert Kelleher, this domestic airline was not originally a low cost airline. Like Ryanair, Southwest transformed its business model under threat of bankruptcy by offering the same flight schedule but with one less aircraft. It was a great success. Prior to the Covid-19 pandemic, Southwest served 96 destinations in the United States with a fleet of 730 aircraft, making it the largest low-cost airline in the world[2].

As Ryanair will also benefit from in Europe, the American company took advantage of the deregulation of the American sky in 1978 to ensure rapid growth. The success of an economic model like low cost can actually only be fully appreciated in its economic and political environment.

Ryanair is first and foremost a product of the European neo-liberal political project as it was developed through the privatisation and deregulation policies initiated in the Member States from the 1980s onwards. Without the liberalisation of the European sky, without the numerous reforms of labour law in the Member States, without intra-European tax policy competitiveness, Ryanair would not have become, in just 35 years, the largest European airline in terms of passengers transported. No matter how "smart" the Irish firm's management is.

Like any political doctrine, neo-liberalism is a multidimensional concept whose boundaries remain rather unclear despite the numerous multidisciplinary studies that have been devoted to it for several decades. For Pierre Dardot and Christian Laval, neo-liberalism is the contemporary logic of capitalism, which relies on vigorous state involvement to create the market and make business a model of government[3]. For Giovanni Arrighi: "Neo-liberalism is a variant of the 'capital-friendly' doctrines that tend to become dominant in the financial expansion phases of capitalism. Like its earlier derivatives, neo-liberalism tends to establish an environment that favours capital accumulation through lending, borrowing and financial speculation, rather than through investment in trade and production."[4] From the 1980s onwards, some economists used the concept of neo-liberalism to name the contemporary phase of the capitalist mode of production characterised by monetarism

1. Cooper, M., O'Leary, M., *Turbulent Times for the Man Who Made Ryanair*, London, Penguin, 2018. Pages 85-86.
2. Combe, E., *idem*, p 10.
3. Dardot, P. and Laval, C., *La nouvelle raison du monde* (The new logic of the world). *Essai sur la société néolibérale* (Essay on neoliberal society), La Découverte, coll. La Découverte/Poche, 2010.
4. Amin, S., Arrighi, G., Chesnais, F., Harvey, D., Itoh, M., Katz, C., "Qu'est-ce que le néolibéralisme?" (What is neo-liberalism?), *Actuel-Marx* n°40, 2006/2.

and the predominant role of financial accumulation. François Chesnais, for instance, speaks of the 'globalisation of capital'[1], and one of its major features is the role played by finance, which allows for the growing capture and concentration of value produced among a cosmopolitan upper class through specific organisational forms such as financial funds (pension funds, investment funds, etc.). Charles-Albert Michalet similarly observed a third stage in the historical process of globalisation that he called 'financial globalisation'[2].

Neo-liberalism, however, is not merely a reinforcement of the pressure of financial capital on all social relations, it is above all a concept that describes the transformation of the state. For Laval and Dardot in the French-speaking world and David Harvey in the English-speaking world, the neoliberal state is, contrary to popular belief, an interventionist state. Its mission is to create an institutional, political and ideological framework that promotes the freedom of capital and ensures a favourable business environment. This mission is embodied in economic and social policies such as the liberalisation of capital markets and foreign direct investment, privatisation programmes, receding labour rights, lesser taxation on the wealthy and cuts in social budgets. Harvey reminds us, however, that 'neo-liberalisation' is a non-linear, mobile, geographical and temporal phenomenon of ebb and flow and that "states that have taken a neo-liberal turn have done so only partially, with the introduction of greater labour market flexibility here, financial deregulation and the adoption of monetarism there, and a move towards the privatisation of public sectors elsewhere."[3]

The liberalisation of European skies

Within a decade, the rules governing air transport in Europe were completely transformed. Until 1987, the regulation of passenger transport market was based on "One Route, One Company"policy thus favouring monopolistic control. Ten years later, in April 1997, by which time the liberalisation of European air transport was considered complete, "any licensed European airline may offer flights on any route, both between two countries and within each Member State, at prices that should in principle result from the unrestricted operation of competitive market forces."[4] Just like in the United States, this move towards a competitive market reinforced two trends: the emergence of low-cost carriers with an European dimension (Ryanair, easyJet, Air One) and waves of mergers and takeovers bids lead to the emergence of large multinational groups[5]. Opening up the sector to competition was fatal for many of the historic national companies, as was the case in Belgium with the bankruptcy of Sabena in 2001.

With the liberalisation of European skies, Ryanair invested in additional aircraft in 1996. The Irish company bought eight second-hand Boeing 737-200s. The company was listed on the Dublin and New York stock exchanges in 1997. Ryanair then opened its capital to new investors for a total of £50 million. The company also took out a loan from the Export-Import Bank. In March 1998, the

1. Chesnais, F., *La mondialisation du capital (The Globalisation of Capital)*, Paris, Syros, 1994.
2. Michalet, C -A, *Qu'est-ce que la mondialisation ? (What is globalisation?)* Paris, La Découverte, 2002.
3. Harvey, D., *Brève histoire du néo-libéralisme* (A brief history of neo-liberalism) , Paris, Les Prairies ordinaires, 2014, p.135.
4. Fayolle, C., "La déréglementation du transport aérien en Europe (1987-1997)" (Air transport deregulation in Europe (1987-1997)), in *Guerres mondiales et conflits contemporains* , Paris, PUF, 2003/1, N°209, p. 76.
5. Fayolle, C., *idem*, p. 75-89.

new funds enabled the company to purchase 25 new Boeing 737-800s and to put an option on 20 additional planes[1]. For Michael O'Leary, the company's deputy director at the time, the goal was clear: "This new fleet should enable Ryanair to compete with and overcome any low-cost competition from the major European airlines."[2] From 1997, as a result of the liberalisation of the European sky, Ryanair began to compete with other European airlines. It successively launched routes to Beauvais in France, Charleroi in Belgium, followed by Stockholm and Oslo. At the end of 1998, Ryanair also flew to Carcassonne, Pisa and Venice.

Rather than compete at major European airports, Ryanair focused on secondary airports. These smaller regional airports are intended to serve larger, more tourist-oriented urban centres nearby: Charleroi for Brussels, Beauvais for Paris, Skavsta for Stockholm, Treviso for Venice, etc. The choice of secondary airports also made it possible to increase the number of aircraft rotations from airports that are not overcrowded, which, as we shall see later, is a principle of the low-cost model. This localisation strategy not only increased the number of take-offs and landings at secondary airports, but gradually brought local public authorities under Ryanair's control. Another consequence of the (neo)liberalisation of the European sky.

The dependence of secondary airports : the Charleroi case

In Belgium, airport management has been regionalised since 1989. The Walloon Region is responsible for the airports of Liège and Charleroi. In these two regions, the closure of coal mines followed by the restructuring of the steel industry considerably affected employment. The Walloon government subsequently decided to rely on airport development to relaunch economic activity from the two former industrial areas. In order to avoid competition between Liège and Charleroi, the government gave each airport a specific role: in Liège, freight transport; in Charleroi, passenger transport. On the 9th of July 1991, Sambreinvest created a business entity called Brussels South Charleroi Airport-BSCA.[3] At the same time, the Walloon authorities granted an annual sum of €6.2 million to the airports to modernise their infrastructure and attract international operators (Ryanair in Charleroi and TNT in Liège).

In 1997, Ryanair launched its first flight from Dublin to Charleroi. It was a great success. Two hundred thousand passengers travelled through the small regional airport, compared to 85,000 the previous year[4]. Some trade unionists without much success informed against the working conditions of staff, as well as the extremely high social and environmental impact of short-haul and medium-haul flights. According to a trade union official at the time: "When these dangers to the environment and to labour law were mentioned, policy makers and some trade unionists simply looked the other way."[5]

1. Creaton, S., Ryanair. *The full story of the controversial low-cost airline*, London, Aurum, 2004, p.150.
2. O'Leary M., quoted by Creaton, S., *idem* , p.151.
3. In Belgium, 'invests' are investment companies combining public and private capital and whose purpose is to implement restructuring and/or development policies for a certain territory.
4. Aubin, D and Lohest, F, "Les impact de la libéralisation et de la régionalisation sur le paysage aéroportuaire belge : la success story wallonne à l'épreuve des faits" (The impact of liberalisation and regionalisation on the Belgian airport landscape: the Walloon success story put to the test), *Métropolis* n°95, 2004, p. 30-40.
5. Interview with trade union officer, February 2013 and September 2020.

The government's objective at the time was to establish an airline base (a hub) at Charleroi in order to accelerate the development of the airport and create jobs. In the aviation sector, a base is an airport where planes are parked when they are not flying and where flight personnel report for duty. According to the Walloon Region, several low-cost companies were approached (easyJet, Virgin, Debonair), but allegedly only Ryanair agreed to invest in an infrastructure that was as basic and little known to the general public as Charleroi.[1] In November 2001, two contracts were signed between Ryanair and the Walloon authorities with a view to setting up the company's first continental base in Charleroi for a period of 15 years. The first contract tied Brussel South Charleroi Airport (BSCA), a public limited company to the Irish company. In this contract, BSCA committed to co-financing 50% of the airline's advertising operations through a joint venture called Promocy. The airport also undertook to subsidise the new routes opened by Ryanair from Charleroi, the recruitment and training of pilots as well as the hotel costs of the flight crew. The Irish company also obtained a preferential rate for ground handling.[2] In most airports, private contractors perform these tasks. In Charleroi, handling was the responsibility of BSCA and agreed a rate of one euro per passenger with Ryanair, whereas at the time it varied between eight and thirteen euros depending on the airport. According to Julien de Beys' estimates, a minimum of 21.5 million euros was granted between 2001 and 2004 by the public company managing the airport to the Irish company to enable it to operate in Charleroi. The second contract linked Ryanair and the Walloon region until 2016. In this contract, the Region granted the company discounts on airport charges amounting to 1.8 million euros. The Region also agreed to compensate Ryanair if the company made losses or saw its profits decrease due to any legislative changes decided by the Region[3]. The 13th December 2002, the European Commission launched an investigation into these 'advantages' granted by the Walloon authorities to the Irish company. In 2004, it requalified the subsidies granted to the company as state aid and required or Ryanair to pay back four million euros[4]. The European Commission also shortened the duration of Promocy, the joint promotion company, to five years instead of fifteen. Although Promocy was finally dissolved on 31st of March 2006[5], in 2008 the European Court of Justice-ECJ, seized by Ryanair, cancelled the Commission's decision due to "lack of grounds".[6] Subsequently, the case was reopened, consolidated and extended to other forms of aid. However, it now mainly concerned the subsidies granted by the Walloon Region to Charleroi Airport. In 2005, a second investigation was launched, this time by the Belgian justice system. It also dealt with suspected illegal state aid between the airport and the airline. The 30th of January 2017, Charleroi's chamber of council closed the case as it was unable to verify these allegations.

Even though most subsidies were not judged illegal by both the Belgian courts and the ECJ, these 'advantages' provided by the public authorities demonstrate the high degree of economic dependency of Charleroi's airport towards Ryanair. According to Aubin and Lohest, "the collusive nature of the agreements between public authorities, management companies and transport operators [Ryanair in this case] has the particularity of sealing this reliance within institutional arrangements that are highly resistant to change."[1] In 2012, Ryanair and the Walloon Region extended their contracts until 2022[2]. Ryanair undeniably made it possible for Charleroi Airport to expand. In 2019, it welcomed over 8.2 million passengers[3] as opposed to 85,000 before the arrival of the low cost airline. Ryanair has also definitely had an impact on the economy and employment in the region. In 2011, Ryanair estimated the number of indirect jobs linked to its activity in Charleroi at almost 4,500, i.e. almost 1,000 resulting jobs per million passengers transported[4]. Needless to say, this is a rough calculation method and an unverifiable figure. This type of single-operator development, however, comes at a huge cost to the community.

Between April and March 2019, RDC aviation, a consultancy and expertise firm specialising in the aviation sector, carried out a comparative study of ten European airport bases where Ryanair has a large majority of activity. According to the study, Brussels South Charleroi Airport (BSCA) is the second most profitable base (€105 million net profit) for the Irish airline, just behind Dublin airport Ryanair's mother ship. More importantly, BSCA is the airport base where Ryanair has the highest profit margin (27.6%), ahead of the Spanish and Portuguese airports. As the table below shows, these figures are mainly explained by the very low 'costs' at Charleroi compared to other airport bases of the company[5]. These costs depend on the price of aviation kerosene, the price of the aircraft and maintenance, staff costs, as well as airport taxes or subsidies. In this respect, it would appear that Charleroi Airport and the Walloon Region are continuing to make significant efforts to keep Ryanair in Charleroi.

This kind of airport management is, however, not specific to Wallonia. Since its creation, Ryanair's growth has been fuelled by public money. According to the Association of European Airlines (AEA), during the 2011-2012 financial year, Ryanair received €793 million in 'public aid'[6], while over the same period the company made a net profit of €569 million[7]. In early 2010, the European Commission investigated aviation subsidies paid by local and regional authorities at 20 airports in Europe (including Charleroi). They were all used by Ryanair. For the majority of them, the sums paid by the public authorities to the company were not reported to the European Commission making it impossible to check their compliance with European rules[8]. The lengthy legal battles over the legal classification of the subsidies-received by Ryanair ultimately opposed the regional authorities and the European Commission. This is because the companies mentioned above, which are constantly subjected to investment and employment blackmail by the Irish company, fear that if

1. de Beys, J., "La décision de la commission européenne du 12 février 2004 sur les aides d'État accordées à Ryanair" (The European Commission's decision of 12 February 2004 on the State aid granted to Ryanair), Brussels, *Courrier hebdomadaire du CRISP* n°1852, 2004, p 6.
2. This refers to all tasks performed on the ground (baggage handling, cleaning of aircraft, refuelling of aircraft, etc.).
3. de Beys, J, idem, p. 9-12.
4. European Commission Decision of 12 February 2004, 2004/393/EC [online].
5. *La Libre Belgique*, 27 April 2006 [online].
6. *La Libre Belgique*, 17 December 2008 [online].

1. Aubin, D. and Lohest, F., idem, p. 37.
2. *L'Echo*, 5 September 2012.
3. Figure from BSCA.
4. Vandewattyne, J., "Ryanair ou le refus du dialogue social institutionnalisé" (Ryanair or the refusal of institutionalised social dialogue), *La nouvelle revue du travail* [online], 2016.
5. *L'Echo*, 7 September 2020.
6. "Ryanair ou les dérives du low-cost" (Ryanair or the derivatives of low-cost), *in Alternatives économiques* n°321, 2013.
7. Ryanair data sheet on *Mirador, the Observatory of Multinationals*, consulted on 13 October 2020 [online].
8. "Ryanair ou les dérives du low-cost" (Ryanair or the derivatives of low-cost),*idem*.

Table 1 Comparison of 10 Ryanair bases

Airport	Turnover	Cost	Profit
Dublin	835.89	689.57	146.31
Brussels South Charleroi	380.86	275.69	105.17
Alicante	380.21	285.08	95.13
Palma de Mallorca	469.13	380.71	88.42
Milan - Orio Al Serio	591.78	508.11	83.67
London - Stansted	1122.55	1041.17	81.38
Porto	288.26	215.15	73.12
Malaga	388.91	323.29	65.62
South Tenerife	247.47	187.62	59.85
Manchester international	336.86	277.41	59.46

Source: RDC Aviation in anna.aero, September 2020. The figures are in millions of euros.

they are prosecuted, Ryanair will move elsewhere.

The liberalisation of the European aviation sector as the economic dependency of second tier and third tier airports towards low-cost operators are not the only political and economical reasons to explain over the last decade the success of Ryanair. As the following section shall highlight the Irish company, like many other local authorities in different economic sectors, took advantage of the expansion of the European Union to Eastern Europe and the deregulation of labour rights in Western Europe to recruit within a younger European population facing mass unemployment and precarious employment.

Ryanair's success is linked to an external factor: the neo-liberalisation of the European economy, and more specifically of its airline sector. But it relies also internally on the radical implementation of the low-cost model.

Radically no-frills !

The low-cost airline model is rooted in a drastic simplification of services offered to customers coupled with an equally drastic reduction in production costs.

As shown in the figure below, taken from Emmanuel Combe (**figure 1**), all secondary services (in-flight catering, newspapers, choice of seat, hold luggage, etc.) included in an airline ticket are either void or, as it is the case with Ryanair, charged. The Irish company generates 27% of its turnover from these paid options[1]. In his 2013 book, the pilot Christian Fletcher gives an example of the gap between the price of a ticket and the actual cost of a Beauvais-Marseille journey with the Irish airline. While the price of a return ticket is €29.11, the final bill - including hold luggage, insurance and choice of seat - can amount to €116.5[2], which is four times more expensive.

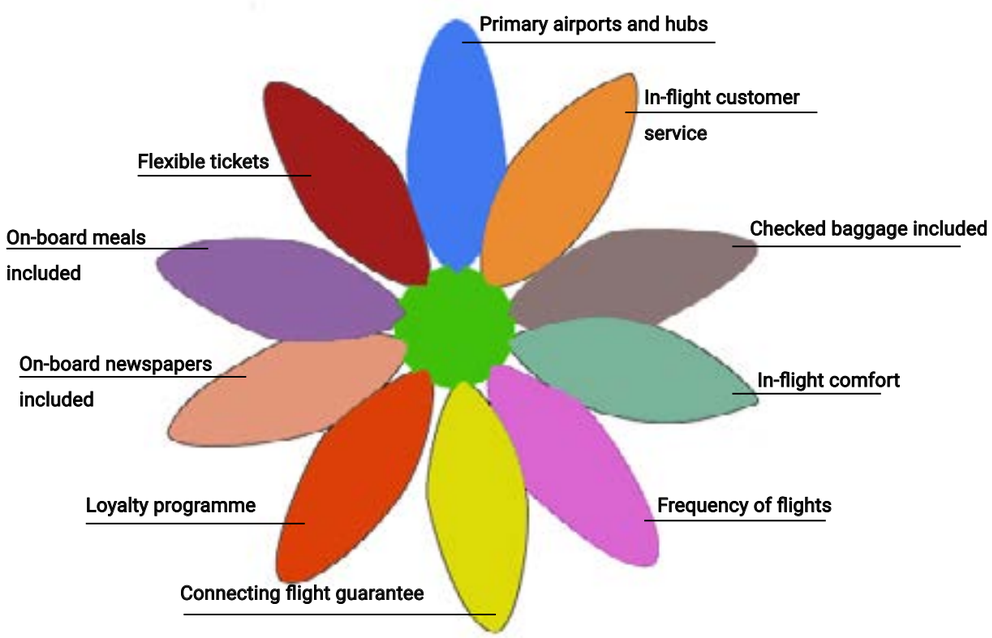
In keeping with the logic of simplification, low-cost airlines do little to organise transfers for their passengers. Passengers have to take care of catching their connecting flight by themselves. This opposes the trend adopted by the major traditional airlines that, from major airports (first tier), they provide a multitude of possible connections for their passengers.

In addition to simplifying the services, the low-cost model requires a significant reduction in production costs. The launch of its website in January 2000 was a key element in this cost-cutting process. Internet enabled the Irish company to stop paying any commission to travel agencies and to facilitate the implementation of a dynamic pricing and

1. Combe, E., p. 19.
2. Fletcher, C., p. 27.

FIGURE 1. Secondary services included in a 'classic' air ticket

Source: Combe, 2011.



promotion system linked to the occupancy ratio.

However, the main expense for an airline remains the acquisition and maintenance of aircraft. One of the principles of low-cost air travel is the use of a single aircraft model, which makes it possible to bring down the purchase price by ordering large quantities. In 2001, following the September 11 attacks, in a time of economic difficulty for the aircraft manufacturers Boeing and Airbus, Ryanair made the most of the competitive environment to order 125 Boeing 737 airplanes with an option of a further 125 at rock-bottom prices. In addition to obtaining lower purchase prices, the use of a single aircraft model allows the company to reduce costs for maintenance, spare parts storage and crew training, to standardise ground services and to replace any defective aircraft with identical ones. To limit maintenance expense and optimise fuel expenditure, low-cost airplanes are on average newly built models compared to those of traditional airlines (7 years for Ryanair compared to 13 years for Air France-KLM)[1].

Like flight crews, planes only make money when they are in the air. This is why low-cost airlines like Ryanair strive to limit transit time as they increase the number of routes flown by an aircraft and the number of seats available. Ryanair's airplanes fly from six in the morning until midnight. The remainder of the night is spent on maintenance. One aircraft can rotate up to eight tiles on a single route. Turnaround time is set at 25 minutes compared to the 45 minutes on more 'classic' companies[2]. This increase in aircraft use requires, as we have already pointed out, that priority be given to the use of secondary airports that are not overcrowded and that allow quick turnarounds, such as Charleroi for example.

Finally, with Ryanair, all non-core functions are outsourced (marketing, maintenance, staff recruitment, etc.).

All low cost airlines apply the principles outlined above. But Ryanair does it more radically than the others. Ryanair almost systematically sets up in second tier airports in order to reduce layover time and above all to be in a strong position to negotiate subsidies or tax reductions with local authorities. The company only communicates about 'low prices', relying on an induction effect[3]: getting people to fly who cannot afford to.

The dividing line between low-cost and traditional airlines has nonetheless become blurred in recent years. Although differences remain, some of the commercial practices described in Emmanuel Combe's 2011 figure above are now standard for most of the short- and medium-haul sector (insurance, extra cost for checked baggage, etc.). Traditional airlines have adapted to low-cost competition either by lowering their prices, differentiating their offer or transferring part of their activities to a low-cost model[4]. Therefore, most of the major established airlines have created or acquired low-cost subsidiaries such as Transavia for Air France, Germanwings, then Eurowings for Lufthansa and Vueling for IAG (British Airways and Iberia). In addition, low-cost airlines such as easyJet adopted the opposite approach very early on, trying to compete with traditional airlines in their market

1. Combe, E., p.20.
2. Fletcher, C., p. 37-49
3. Combe, E., p. 30.
4. Combe, E., p. 36-53.

segments. The installation of a Ryanair base at Zaventem in Brussels Airport from February 2014 should considered with this in mind. Consequently, the setting up of Ryanair hub in 2014 at Zaventem Brussels airport follows this strategy. BSCA remains their priority but they just want to compete on all grounds even with Brussels Airlines.[1]

While it is true that variable pay, linked to sales in the plane for example, is often a larger part of the salary than in other airlines, low wages are not necessarily a feature of the low cost model. According to Combe, differences in wage costs explain on average only 3% of the difference in production 'cost' between low cost and traditional airlines[2]. At Southwest, the world's largest low-cost carrier, wages are no lower than at other airlines. Employees even have healthcare coverage and staff turnover is quite low (4.5%)[3]. Southwest is also the US airline with the strongest union presence, and unionisation of employees even encouraged by management[4].

In this respect, Ryanair is radically different from the competition.

Wage and productivity challenges

Ryanair and easyJet fiercely dominate the low-cost air transport market in Europe. They use fairly similar methods, as described above. But in terms of wages, the differences are significant. As shown in **Figure 4** below, between 2012 and 2019, the average salary at Ryanair is consistently lower than at easyJet, an average 30% less on a yearly basis. On the other hand, average salaries at Vueling, the IAG group's low-cost airline, are fairly comparable to those at Ryanair.

In addition to lower wages than its competitors, Ryanair has a higher labour productivity requirement. Apparent labour productivity is an indicator that estimates the average market growth produced by each employee in the group. **Figure 5** compares Ryanair's labour productivity with that of easyJet and Vueling. As with wages, the difference is significant. During this period, a Ryanair employee creates 17% more market growth than an employee at easyJet and, more importantly, 45% more than the same average employee at Vueling.

In both cases, the level of labour exploitation whether salary or productivity based is greater within Ryanair. This is reflected in Figure 6 comparing wage share in added value which is considerably lower at Ryanair whilst at the same time producing more growth. In other words, a Ryanair employee produces more wealth than an employee at competing airlines. And, in return, they receive a lower salary. This is one of the explanations for the profitability of the Irish company (**figure 2**).

1. Ryanair only had four aircraft there, then three after the restructuring in January 2020.
2. Combe, E., p. 24.
3. *Les Echos*, 9 September 2003.
4. Creaton, S., idem, p.135.

Figure 4. Comparison of average annual salaries at Ryanair, easyJet and Vueling (euros)
Source: http://www.mirador-multinationales.be/

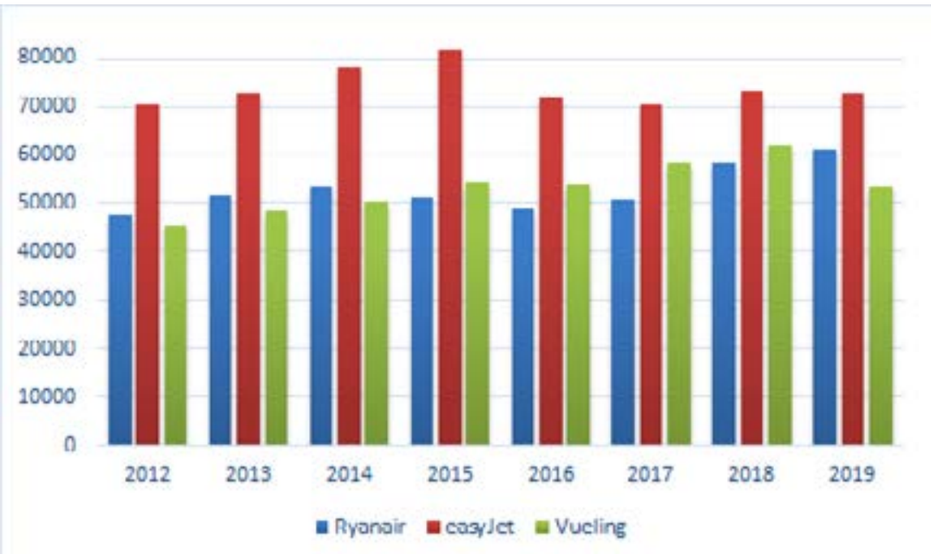


Figure 5. Labour productivity in the low cost sector (in euros)
Source: http://www.mirador-multinationales.be/

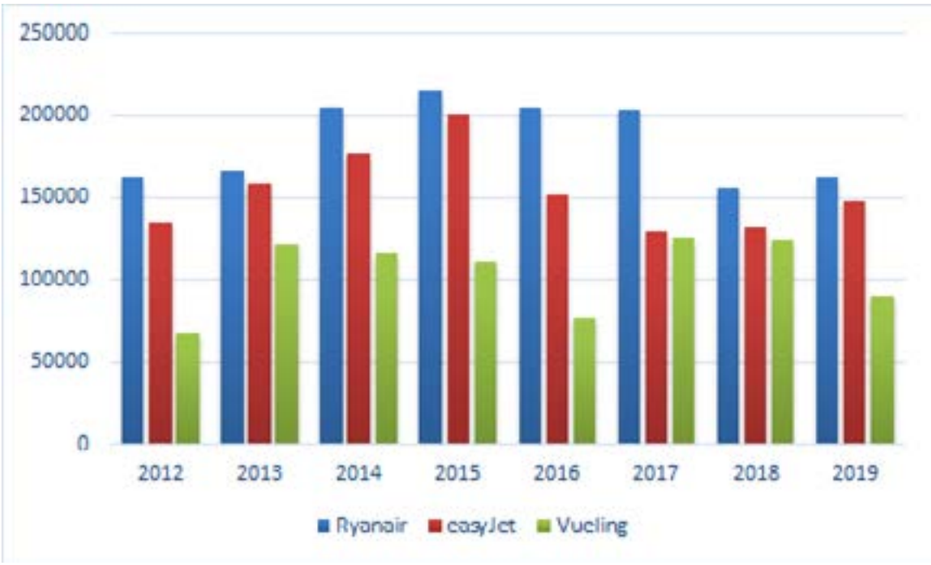
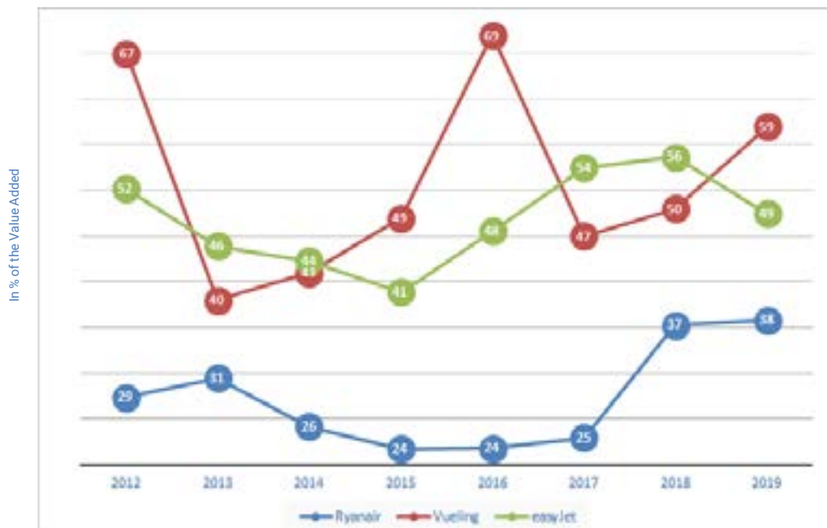


Figure 6. Comparative employee contribution in European low cost airlines
Source: http://www.mirador-multinationales.be/



Conclusion

Ryanair's business model shares the same characteristics as that of other low-cost airlines: simplify the service offered to customers to the extreme and reduce costs throughout the production chain. In doing so, Ryanair follows in the footsteps of its founder Tony Ryan, who in the early 1980s, even before Ryanair was created, lobbied the Irish government for permission to create an airline capable of providing a "cheap, no-frills, efficient" service[1]. Under Michael O'Leary, Ryanair has over the years applied radically this mantra. These principles alone do not explain the company's success.

It can also be explained by Ryanair's choice to concentrate its bases, quite often more than its competitors, at secondary airports. This enabled the company to become a privileged and often unique partner for local public authorities looking for private operators to redeploy their region's economy. This led to investment and employment blackmail which, in the context of an asymmetrical balance of power, allowed the Irish company to be granted a number of advantages that considerably contributed to its success. Lastly, alongside low-cost practices, Ryanair sets dire pay conditions to workers. This is how it differs from other low cost airlines. For these reasons, more than a low-cost company, Ryanair is undoubtedly one of the most successful examples in Europe of this capitalist utopia that the French economist Thomas Coutrot refers to as the " neo-liberal enterprise ". [2]

1. Creaton, S., p.14.
2. Coutrot, T., *L'entreprise néo-libérale. Nouvelle utopie capitaliste ? (The neoliberal business. A new capitalist utopia ?)* Paris, La Découverte, 1998.

Bruno Bauraind *Gresea*
Jean Vandewattyne *UMons*

Workers mobilization model at Ryanair

Addressing the question of workers mobilization model means outlining worker's fulfilment process within a company and what motivates managers both physically and mentally. Since the 1990s, the neoliberal mobilization model is characterized by fear of unemployment and a relative given sense of autonomy. What about Ryanair?

Photo: Hans Elsen. (June 3, 2019) Twitter.

Workers mobilization model at Ryanair

Bruno Bauraind Gresea
Jean Vandewattyne UMons

Ryanair is known for offering particularly poor pay and employment conditions, both by the standards of traditional airlines and by those of other low-cost airlines. This low-wage policy is combined with a high flexibility requirement for cabin and cockpit crew, along with avoiding the development of professional relations and a distinctly anti-trade union stance. These features mutually reinforce each other and brand out the 'social'[1] model prevailing at Ryanair even though the 2018 strikes in several countries did make the company review some of its practices.

Despite very low wages and precarious working and employment conditions, the Irish company has no difficulty in recruiting staff, except for a temporary shortage of pilots in 2018.[2] This paradox is in no way specific to Ryanair. It is, on the contrary, at the very heart of the neoliberal mobilization model. In this article we will first define this concept and then look at how it has been achieved by observing some of the stages in the career of the Irish company's staff.

Specific workers mobilization model?

The management of a company must be able to motivate its workers' body and mind to guarantee capital reproduction. In some companies and under certain legal and technical conditions, this means arranging a high worker turnover to ensure the mobilization of workers through the fear of dismissal. In other conditions, on the contrary, management will have to offer job security or attractive salaries to secure its workforce, which is in demand by the competition. Workforce mobilization is defined as follows: "An institution, i.e. a structured set of rules to ensure coherence between the requirement of capital accumulation, in a determined competitive context, and the rationale of the symbolic reproduction of work collectives in the company; it thus produces resignation, assent, or even cooperation of workers in their own exploitation."[1]

1. Vandewattyne, J., Bauraind, B. et Brodersen, M., "Les conditions d'emploi et de travail du personnel de cabine à l'épreuve de Ryanair" (The employment and working conditions of cabin crew challenged by Ryanair), in *Working in the air transport sector*, to be published.

2. See the article "The *Ryanair* union battle" in this issue of *Gresea Échos*.

In the former industrialised countries, the economic growth, low internationalisation of supply chains and near full employment in the 1960s and 1970s forced company owners and managers to be cautious about using threats or redundancy plans to ensure worker mobilization. The relative ease with which workers could find a new job partly undermined employers' threats and allowed the unions to build a more favourable balance of power. As a model of regulating industrial relations, namely Fordism, required "a contractual long-term worker relationship, with rigid limits on redundancies and organising, either mechanically or through collective bargaining, wage growth that is indexed on prices and general productivity".[2] The worker benefitted from a double protection during this period: career security, implicitly defined in the employment contract, and insurance against unemployment along with other every day risks that was provided for by the state.[3] In this context, workers were not necessarily motivated to work because they found meaning in their job or because their work was carried out in good conditions, but because the security of a career enabled them to project themselves into the future and facilitated mass consumption. This system of mobilization, characteristic of the Glorious Thirties, ultimately appeared to be a norm, whereas it was merely the effect of an economic context which, on the scale of the history of capitalism, was more of an accident than a real breakthrough.

From the mid-1970s onwards, corporate restructuring and mass redundancies re-emerged as standard business management practices. IIn western Europe, the joint regulation of companies and the economy implemented by social counterparts did not manage to resist the relocation of company headquarters, the shackles of budgetary and wage austerity policies and the repeated 'reforms' of labour codes. According to Lordon: "The new reality of the neoliberal transformation and its particular system of adjustments had taken on the form of a break in the norm: dismissal is no longer the taboo that common opinion had believed or had ventured to believe", and thus "the brutality of blackmail regarding the reproduction of labour force became common practice and the new norm.[4]"

From the 1990s onwards, many researchers in social sciences have tried to identify a worker mobilization model characterising the neoliberal period, as has been achieved for the Fordist period. Several theoretical concepts have emerged from the observations. Thomas Coutrot identifies 'forced cooperation' as the central concept of the neoliberal business. According to him, workers are forced to cooperate within the company because they are faced with the pressure of the financial markets and mass unemployment.[5] This double burden has enabled capitalists to transfer part of the demand for competitiveness from the company to the state and to use financial indicators as a disciplinary device that will force every worker of the company to comply in order to maximise the shareholder's profit, regardless of their working conditions.

1. Coutrot, T., *L'entreprise néo-libérale. Nouvelle utopie capitaliste ? (The neoliberal business. A new capitalist utopia?)* Paris, La Découverte, 1998.

2. Lipietz, A., "Les rapports capital-travail à l'aube du 21 ème siècle" (Capital-labour relations at the dawn of the 21st century), quoted by Linhart D. in *Les cahiers du Cepremap*, n°3016, 1990.

3. Boltanski, L., and Chiapello, E., *Le nouvel esprit du capitalisme* (The new Spirit of Capitalism), Paris, Gallimard, 1999, p.139.

4. Lordon F., *Capitalisme, désir et servitude* (Capitalism, desire and servitude). *Marx and Spinoza*, Paris, La Fabrique, 2010, p.64.

5. Coutrot, T., idem.

But the neoliberal mobilization model is not only based on the fear of job insecurity and unemployment. In The New Spirit of Capitalism, Chiapello and Boltanski also look at the subjective transformations that affect forms of mobilization. Through the concept of neo-management, they argue that there is a new ideology that justifies and gives meaning to the individual commitment of 'collaborators' in production, taking into account their emotions and encouraging their creativity. In contrast to the full-time worker, assigned to repetitive tasks created by the Fordist regime, managers now seek autonomous and flexible workers who wish to develop[1] 'employability'[2] through a variety of projects.

The neoliberal mobilization scheme is thus characterised by a dual dimension. The first is based on the employees' fear of being fired or punished by the company's management. The second enshrines autonomy and individual development. These two dimensions make neoliberal mobilization a somewhat paradoxical organization that pushes the worker towards autonomy in a context that prevents it.

In practice, each company adapts its mobilization strategy depending on its history, its sector, the limitations of its production, the profile and qualifications it seeks.

Furthermore, within Ryanair, some aspects of mobilization are not enforced with the same intensity for pilots and cabin crew. Ryanair management plays on the differences between these two segments of the workforce to impose its approach on collective labour relations. In this article we will focus on what enables the Irish airline to enrol flight attendants. However, it should be remembered that what is demanded of cabin crew is often also demanded of cockpit crew, although in a context where job insecurity is much less widespread.[3]

Myths and precarious employment

At Charleroi airport, the first Ryanair flight attendants were Belgian. Then, with the expansion of the European Union to include Eastern European countries between 2004 and 2007, Polish and Czech workers joined the Walloon airport. In 2007, out of about 80 workers, only ten were from Western Europe (four Belgians, two French and a few Italians and Portuguese), all other workers were Polish[4]. In the wake of the 2008 crisis, workers from Eastern Europe were joined by Portuguese, Spanish, Italians and Greeks. Very few Belgian cabin crew members still work in Charleroi or Brussels now. In January 2019, of the 300 active on-board workers in Charleroi, only two were Belgian.[5]

The profession of air-hostess and, to a lesser extent, that of steward have long maintained a glamorous image embodying youth, travel and freedom. Irrespective of the company, this profession, which is hyped by the airlines, is far removed from the

1. Employability refers to the employee's capacity to change projects frequently and to accumulate the necessary skills to accomplish a multitude of tasks.
2. See on this subject the analyses of sociologists such as Boltanski and Chiapello, Clot Y., Linhart D. Durand J-P. or de Gaulejac V.
3. Christian Fletcher's book details the pay and employment conditions of pilots at Ryanair.
4. "The activists' newsletter", *CNE*, June 2007, p.14.
5. Figure from the Ryanair trade union delegation.

actual work of the flight attendants[1]. Nevertheless, it continues to attract workers. For some, a job with Ryanair is seen as a stepping stone to other companies. One flight hostess that has been in the profession for almost 20 years told us: "I always wanted to be a cabin crew member, but in Spain it was quite difficult to find such a job. You have to take a course and get a licence, and only then you can go for interviews. I went to a few interviews, but they were always looking for people with experience, and they would never give you the chance to get it. That's when I met with Ryanair. They didn't ask for any particular skills or experience and, on top of that, they talked about the possibility of promotions (...) working for Ryanair is a very good opportunity when you are young, because you acquire a lot of experience quickly. We work a lot in a very strict environment. This means we learn quickly and our skills appeal to other airlines, despite Ryanair's poor reputation."[2]

Ryanair provides easier access to the profession than traditional airlines for young people who often have few qualifications. To get a job as a flight attendant, it is necessary to have completed high school and have a good level of English. The desire to travel and the glamorous image of the job motivate certain flight attendants to join Ryanair. Nevertheless, all the workers interviewed mainly identified the fear of unemployment and the lack of job security in the peripheral European countries as the main reasons for joining Ryanair.

In 2007, when she was hired, this former Belgian air hostess was living in Andalusia: "I was recruited in Granada (Andalusia), which is one of the poorest regions in Spain. I saw an advert for Ryanair on a recruitment website. I had posted my CV online, so I applied. Even then, there were few job opportunities. As Ryanair replied and invited me to participate in a recruitment test, I translated my CV into English and sent it to them. That was really the starting point."[3]

This steward aspired to travel, but above all he wanted to escape the uncertainty of his professional situation: "Just before I joined Ryanair, I was working for a cleaning contractor in Portugal. I used to clean the spa in a five-star hotel. I didn't like my job at all. Before that, I worked for five years in an amusement park where I organised parties for children."[4] The 2008 financial crisis and the austerity policies implemented by southern and eastern European states from 2010 onwards accentuated job insecurity. This flight attendant is Spanish and joined the Irish airline in 2017: "During my studies at university, I did an internship in a hotel as a receptionist. After that I started to work in the hotel, I had a temporary contract that was not renewed. After four months of looking for a job, I opened an account on a tourism-related job website, and there I saw a job offer from Ryanair."[5] While the level of job insecurity is different, many pilots also join Ryanair "to pay the bills and their training"[6].

Working for Ryanair can be an opportunity for young workers with few qualifications and little work experience, but it also means "you have to become the person they need. For example, people who work in management must have a specific profile, and they must be willing not to think for themselves.

1. Barnier, L-M, *Être hôtesse de l'air ou Steward* (Being an air hostess or steward), Lyon, Lieux dits, 2011, p.8.
2. Interview #11, September 2020.
3. Interview #12, February 2013.
4. Interview #2, December 2019.
5. Interview #4, December 2019.
6. Interview #3, December 2019.

They mould you to suit what they are looking for. For example, if you have to work in management, the company actively seek out people who lack empathy and common sense and encourage these personality traits."[1]

Many young workers, therefore, join Ryanair to escape job insecurity and limited career prospects. However, the contractual terms made by the Irish company aggravate the situation for some.

For a long time, Ryanair has used Irish contracts, regardless of the worker's base of employment, with the exception of staff working in England. This enabled the company to enforce the less worker-friendly Irish labour and social security laws for all its staff across Europe. For social security, the Council of the European Union ended this practice on 1 June 2012. From that date onwards, the social security liability of newly hired cabin crew had to be based on "the place designated by the operator for the crew member where they start and finish a shift or a series of shifts"[2].

In the late 2000s, Ryanair also outsourced its recruitment to two Irish subcontracting agencies - first Workforce, then Crewlink - which work exclusively for the low-cost airline. Some cabin crew identify this period as a turning point from which employment conditions at Ryanair deteriorated. According to a report by the French Senate, in 2014 only one in four of the flight crew was directly employed by the company under a Ryanair contract. [3]

Cabin crew with a Ryanair fixed-term or open-ended contract are entitled to seniority, a minimum wage and an average monthly income of around €2,000 gross, which is explained by the fact that they are paid when they are not flying. A Crewlink or Workforce contract has a renewable term of three years. The trial period lasts one year. But the main difference with a Ryanair contract is that the worker on a Crewlink or Workforce contract is only paid when they are flying (between take-off and landing). However, they are required to be available to the company and to live in the vicinity of the airport. This type of contract, in some cases with no guaranteed flight time (0-hour contract), increases the number of unpaid hours and removes any certainty of income for workers. The monthly salary can vary greatly (between 750 and 1,600 euros gross) depending on the season and the company's activity. Sometimes during the winter, Crewlink contract staff are required to take a minimum of four weeks unpaid leave and are not allowed to work for any other airline during this period[4]. One air hostess, who worked for a year on a Crewlink contract, explained: "Our salary was determined by the number of hours we flew, the time between flights was not paid. If you are off sick, you don't get paid, if you are on stand-by at home, you don't get paid, and if you are on stand-by at the airport, you get paid 30 euros for eight hours." A former flight attendant calculated that out of 5,000 hours of presence between her hiring and her resignation (from 6 June 2006 to 19 January 2011), she was only paid for 3,700

1. Interview #11, September 2020.

2. Regulation (EC) No 1899/2006 of the European Parliament and of the Council of 12 December 2006 amending Council Regulation (EEC) No 3922/91 of 16 December 1991.

3. Bocquet E., *Information report*, Paris, Senate, 2013-2014 Ordinary Session.

4. Anderson, J., "'Nous n'avons plus peur': La mobilization inattendue des travailleur.ses de Ryanair" (We are not afraid anymore: the unexpected social movement at Ryanair), in *Mouvements, N°95, 2018, p.128.*

hours. She thus worked for free during 1,300 hours, preparing onboard services before flights and in-between flights cleaning.[1]

Both types of contract, on the other hand, grant a 10% incentive on the total sales made by the cabin crew during the flight. Until 2015, the sales revenue was divided equally between the four crew members. For every 1,000 euros in sales, each crew member received 25 euros. Subsequently, Ryanair's management wanted to "boost" the sales dimension of the job. The company introduced a new system of individualised recording of on-board sales. From then on each cabin crew receives 25% of his own sales, which enforces competition between workers.

Pilots' salaries are obviously much higher than those of cabin crew. However, they are lower than in other airlines. In fact, some pilots of large Chinese or Gulf airlines can earn more than twice as much as Ryanair pilots. Just like the Crewlink or Workforce contracts, Ryanair outsourced the recruitment of cockpit staff at a very early stage, notably to the company Brookfields. But for pilots, wage differentiation goes a step further. Some have an Irish Ryanair contract, so they are employees. Others, in contrast, are considered to be contractors strictly self-employed. The company pays them and it is up to the pilots to pay their taxes and social security charges. Many of them then choose to create their own company, sometimes registered in tax havens. Like cabin crew, contractors are only paid when they fly. Some tasks (briefing, layover management, administrative management of the flight) are therefore provided free of charge[2].

As we shall see later, the historic strikes of 2018 led to pilots and cabin crew based in Belgium and Portugal securing the application of national law. But in many other southern and eastern European countries this is still not the case[3].

The training business

Following a successful interview, new flight attendants are required to undergo six weeks of training, specific to the Boeing 737-800 and the Irish airline's company procedures. Training is mainly focused on safety and first aid measures. The certificate obtained covers only one type of aircraft: the one used by Ryanair. The last three days focus on sales techniques and customer service.

It goes without saying that Ryanair is not the only airline to train its cabin crew. But in other companies, this training is either free or much cheaper. According to a former flight attendant, in 2007, "the training fees were of 2,000 euros. There was a discount of 100-150 euros if you paid immediately. We could also pay half and pay back the rest from our salary. A certain amount was deducted each month."[4] There are several Ryanair training centres in Europe, the main one being at the Frankfurt-Hahn base in Germany. Trainees are placed together by training cycle. Over the years, the overall cost of training increased significantly: "Training is getting more and more expensive. Some people paid more

1. Vandewattyne, J., "Ryanair ou le refus du dialogue social institutionnalisé" (Ryanair or the refusal of institutionalised social dialogue), *La nouvelle revue du travail* 2016 [online].

2. On this subject, see Fletcher, C., *Ryanair. Low cost, but at what cost?* Paris, Altipresse, 2013, p.85-95.

3. ITF and ETF, "A year of change. Ryanair's industrial relations a year after its big announcement", 2018.

4. Interview #12, February 2013.

than 3,000 euros for the training and the accommodation in Frankfurt that the company provided."[1] According to one flight attendant trained in 2017: "They 'offered' us a room shared with other trainees for 700 euros for six weeks. Along with my other expenses, I paid a total of 4,000 euros to get the job at Ryanair."[2]

Some crew members also describe the training as a psychological ordeal: "There were only 38 positions available, but we didn't know that 42 or 44 people had been called for the training. As a result, there were bound to be too many people some of which were eliminated by the English test on the first day or by one of the other five exams we had to take. So they fired people who had already paid for half of their training without paying them back." The same former flight attendant also highlighted the tension fostered by the trainer: "The trainer was not pleasant at all. He was always shouting at us. He was 26-27 years old at the time and completely standardized and conditioned by Ryanair... Just like I was afterwards. The training courses are so intensive that during these six weeks, you forget everything and, in the end, even if they offered us something mediocre, we would have been happy... It's really brainwashing, a progressive and numbing process."[3]

In 2018, mainly due to media outrage, the training courses became free of charge as well as the flight to Frankfurt[4]. However, accommodation and food during the training are still at the trainees' expense. The worker's first six months are now paid at minimum wage.

Cabin crew also have to face other expenses. For example, purchasing a uniform and cleaning costs amount to just over 30 euros per month. According to one air hostess, transferring income from employees to the company also increases gender pay inequality: "I am a woman and I am paid exactly the same as a man, but what the company asks of air-hostess employees costs much more. Women's uniforms have two more pieces than men's. I also have to pay for an apron and a bag. I have to buy the tights, about 35 euros a month. On top of this, we are required to wear make-up and a specific manicure style. Men don't have to take these expenses into account."[5] For this flight attendant, it is also part of what she calls the 'grooming' of the job: "The fact that you have to tie your hair up in a certain way (when you are a girl), that you have to paint your nails, and so on. All this is already a part of the grooming process which, as you go along, changes you, even psychologically. I never wore nail varnish before joining Ryanair. But, from the day we are recruited, we start to worry about having chipped nail varnish, etc."[6]

The compulsory annual medical check-up is organised on employees' days off and its cost (60 euros) is directly deducted from their wages. Bottled water or meals on board during the flight are charged to the crew (pilots and cabin crew) in the same way they are charged to the passengers.

While cabin crew join Ryanair to escape the financial uncertainty of their socio-professional situation, the first few months after joining the company can, on the contrary, accentuate this financial vulnerability.

1. Interview #5, January 2020.
2. Interview #4, December 2020.
3. Interview #12, February 2013.
4. In July 2020, the company announced the closure of the Frankfurt Hahn base in autumn 2020.
5. Interview #4, December 2019.
6. Interview #12, February 2013.

Some have to go into debt to their families or to the company itself just to be able to work for Ryanair.

For those hired before 2018, the cost of training contributed to an economic dependence on the company: "After the training, a woman from Crewlink came and put all the contracts on the table. Once I had read my contract and if I had known, I would not even have looked at it because it was like donating your body to science while still being alive. But obviously, after everything we had been through, everything we had paid for, we signed it. Training represented such an investment that if you weren't broke before you started, you were broke afterwards if you had paid for everything upfront (...). I know a Polish woman in Brussels who had to pay back Ryanair for a year and a half! That is how they ensure employees stay."[1]

Once they have obtained their 'wings' - a symbol of successful training - and their contract, cabin crew are transferred to a base. Ryanair allow workers to express which base they would prefer but it is seldom taken into account.

Posting and deterritorialization

The base transfer systems is not very clear. For one steward, it is completely random process: "You never really know how long you will be in a country. You can also apply to change bases, but the criteria were never clear to me." Another steward commented: "After our interview on recruitment day, they ask us to give them three bases where we would like to work. Let me tell you what happened to a friend of mine and to me. My friend applied for London, Milan and a third base, and now he is working in Alicante. I asked for Alicante, Milan and London, they offered me Charleroi!"[2]

The vast majority of Ryanair cabin crew based in Belgium are from Southern or Eastern Europe. Most of the people transferred to Charleroi or Brussels do not speak any of the languages used in the country. Even though it has improved their financial situation, having a working contract as flight attendant under Belgian legislation has issues: "Before, when we all had an Irish contract, it was easier because you came to the base, you signed your Irish contract. You were also given a bank account number. Everything was done in Ireland, including taxes, and the company did everything for you. Now we have to take care of that ourselves. In Holland or Belgium, if you need official information, you can still find people who speak English in the government offices. It can be a lot more complicated in other countries. If you're in Poland, Romania, Italy or Sicily and you need to go to the government tax office, no one can help you there."

And further more with Belgium's language diversity: "When I was told that I would be based in Brussels, I wrongly assumed that people would speak French in Zaventem and thought that my level of French was good enough to live there. But when I arrived, I saw that everything was written in Dutch and the language barrier turned all the administrative procedures necessary to live in Belgium into a real ordeal, whether it was registering with the town council or the health insurance policy. We were completely lost and Ryanair simply did not care. I've met people who have worked here for five years without a health insurance policy because they didn't know it was compulsory, and that their home country wouldn't

1. Interview #12, February 2013.
2. Interview #5, January 2020.

Source : Ryanair MUST change. (28 September 2018). Facebook.

cover their medical costs. The company never explained to us what we had to do to comply with the country's regulations. I only found out because I inquired directly, and it took me five months."[1]

According to one Portuguese employee, the system for allocating bases is not a matter of chance: "Ryanair definitely doesn't like to put Italians in Italy, Germans in Germany, etc. I think there are two reasons for this. For one thing, if you are in your home country, you get settled and you do the bare minimum; in some cases you might be in contact with a trade union and be aware of labour laws specific to your country, with a real support system, employees tend to be less compliant. The other thing is that as a Portuguese person living in Belgium, when I want to go home, I have to purchase a plane ticket so this provides a sales opportunity for Ryanair."[2]

1. Interview #8, February 2020.
2. Interview #5, January 2020.

Whilst they were hoping to get out of a precarious life by finding work with Ryanair, some cabin crew saw their lifestyle dwindle even further than before once they had signed their contract. In addition to this blackmail towards sustainability there is also a very strict disciplinary system.

A permanent monitoring system

A Ryanair crew consists of two pilots and four flight attendants. While we cannot claim that Ryanair is understaffed compared to its competitors, some flight attendants have drawn attention to the excessively lengthy work processes required by the company in a short-haul flight context: "The problem was that Ryanair placed an extra burden on us that was impossible to complete. There just wasn't enough time. There was a procedure whereby everything had to be done in a set order. During a flight,

we were not allowed to eat during landing or take-off, the most critical phases. But this is the only moment when we have a spare five to ten minutes to ourselves. During the first flight, the bar products had to be counted before starting the service. As soon as the doors closed, we started counting the drinks as fast as we could. For example, if we were going to Bergamo - a 1-hour-20-minute flight - with all the things they asked of us, our bars had to be counted immediately, otherwise the cabin manager would go crazy because she didn't have the necessary papers to close her bar. It was stressful. The longer flights were much better. When we went to Tenerife it was great. We had so much more time. We spent more time in the air so we were paid more."[1] Another observation from the same former air hostess was that procedures often changed. "The memo said to start the flight with one person at the front and another at the back to join in the centre. Three weeks later, we had to leave from the middle of the plane and then go to the front or the back of the plane... " The constant pressure on the flight crew was also highlighted by this Spanish air hostess: "We had to do so much that there was no way we could possibly have a break. Our break time had to be taken outside of our working time, and lunch was not provided by the company, we had to take our own food or pay the full price on board. But we didn't have time to take lunch breaks, or even toilet breaks for that matter, which is really unhealthy. Our shifts could last up to 12 hours. In other airlines, when the flight lasts 12 hours, the cabin crew are accorded a two-hour break. We weren't expecting to nap on the job, we just wanted to have time to eat."[2]

The lack of time and the gap between the work required by management and the possibility of carrying it out by the cabin crew creates unnecessary pressure and stress for employees. But above all, the permanent monitoring system put in place by the company is what is experienced as unfair and, at times, humiliating by the employees. Monitoring the workforce is mainly embodied by the 'mystery traveller' system and the disciplinary interviews.

For cabin crew, the mystery traveller is a kind of anonymous 'quality controller', responsible for assessing staff compliance with work procedures. According to a former Belgian air hostess, this practice sometimes resulted in downright harassment: "We had an extremely time-consuming procedure, for the passengers and especially for us, whereby every time you presented the scratch cards or something like that, you had to take one step, stop and look at everyone in the row; take a second step, stop and look at everyone in the other row. On one occasion, when a mystery shopper was on board, a cabin crew member, who was on his second day of flying and was completely lost, rushed past the passengers, probably stressed by having so many people in front of him. So, the head attendant got a slap on the wrist because the cabin crew were moving too fast."[3]

Workforce monitoring is not always outsourced. When air hostesses are pregnant they have to work their hours in an office at Charleroi airport even though there isn't much to do there. As a result, when there is not enough work for them in the office, they may be asked to call the people who were on call or on stand-by just to see if they pick up the phone.

1. Interview #12, February 2013.
2. Interview #8, February 2020.
3. Interview #12, February 2013.

The disciplinary interview is another part of the permanent monitoring system at Ryanair. While performance assessments exist in almost all companies, it is very seldom that staff have to book a flight to attend one! At Ryanair, disciplinary interviews take place at the company's headquarters in Dublin in the presence of three managers.[1] Most often they are motivated by justification of a sick leave even if delivered by a doctor. During the interview staff are asked to explain and justify their absence. According to one steward, the staging of this interview generates a sense humiliation and fear among workers: "Imagine you are a 19-year-old worker and you have to go to the head office in Dublin. You take two flights and then you have to wait for three hours at headquarters before you are called into a small room where three people from management are taking notes - the European manager and two people from human resources (HR). Then they ask you about sick leave from a year ago, sometimes longer, and, even if you don't have to, they ask you to explain yourself, and throughout this flurry of questions, one of the silent HR people asks you to repeat some specific information about your illness on a given date, just to see if there are any discrepancies in your version of events. They have to give us the notes they take during these meetings, and in some cases they do not even reflect what was said during the meeting. It is tough, especially if you are a young worker. A fifteen-minute meeting will have taken you a whole day. It is tiring and humiliating and you end up hoping you'll never be ill again!" Since 2018 and Ryanair's formal recognition of trade unions in Belgium, Belgium-based workers who wish to do so can be accompanied to these disciplinary interviews by a trade union delegate, even though this is highly disapproved.

Conclusion

The workers mobilization scheme at Ryanair has evidently changed since the 1990s. And as we shall see later, the social battles undertaken by the employees are not unrelated to this development. Nevertheless, certain managerial practices or characteristics of work organisation seem to be an integral and ongoing part of the way in which the company "regulates staff" (**Figure 1** p.38).

Firstly, Ryanair uses a young, low-skilled workforce with a high unemployment rate. For some workers, precariousness will increase once they are hired. Although Ryanair has been offering better contracts to cabin crew in Belgium since 2019, they continue to face great uncertainty about their professional future. According to Thomas Coutrot, blackmail regarding the reproduction of labour force is paramount in the neoliberal mobilization model[2]. At Ryanair, this type of blackmail is reinforced by the expenses demanded by the company (training, meals, work clothes, medical check-up, etc.) from the workers. This approach has also been identified in the platform economy sector (Uber, Deliveroo)[3].

Secondly, the workers (pilots and cabin crew) interviewed highlighted the arbitrary decisions of human resources management at Ryanair. Coupled with the deterritorialization they experience, these forms of arbitrary cause great uncertainty. It prevents flight attendants and pilots from planning their career and private life, even if they have an open-ended contract.

1. Since the Covid-19 pandemic, disciplinary interviews are conducted at the national bases.

2. Coutrot, T., ibidem.

3. Dufresne, A., *"Coursiers de tous les pays, unissez-vous !* En lutte contre le capitalisme de plateforme" (Couriers of all countries unite! Fighting against platform capitalism), *Gresea Échos* n°98, juin 2019.

Thirdly, as far as work is concerned, most employees reported managerial demands that were impossible to implement in practice. This gap between required and actual work[1] is not unique to Ryanair. It creates a lot of stress and suffering, both physical and psychological, for the crew. Especially when it is accompanied by a very strict labour control system that creates, particularly among young cabin crew, a permanent fear of punishment and dismissal.

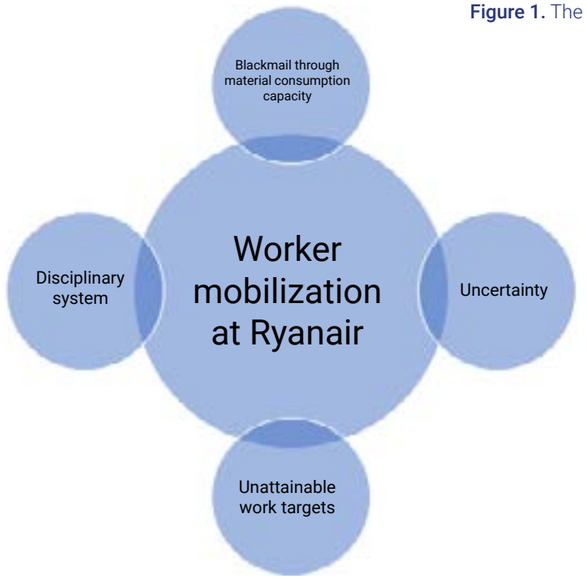
Workers mobilization model at Ryanair is clearly based on coercion, fear of dismissal, uncertainty and blackmail towards reproduction of labour force. However, autonomy and individual development are hardly valued by the Irish company. There is the 'wings ceremony' and the 'Ryanair Oscars' where the best 'salesmen' of the company are rewarded during a party. But such examples have little impact when taking the elements explained above into account.

In spite of the brutality of this mobilization model, Ryanair employees have forged strong bonds of solidarity with each other in the communities that have emerged around the airports. They have brought people together to take joint initiatives and translate discontent into collective action. As we shall see, fear gives way to anger.

1. Prescribed work refers to the tasks, and the way in which they should be carried out as defined by management. Actual work is work that is actually done by employees.

Figure 1. The dimensions of worker mobilization model at Ryanair

Source: Bauraind, Bruno, October 2020.



Bruno Bauraind *Gresea*
Jean Vandewattyne *UMons*

Ryanair workers' trade union struggle

In 2017, Michael O'Leary said it would be Christmas in July until Ryanair would be unionized. A few months later, the company was forced to back down in response to the protests of its employees in several European countries. Here's an overview of a historical trade union movement.

Photo: Sebastian Scholl Ryanair-Streik Kundgebung in Frankfurt 28 September 2018 Flickr

Ryanair workers' trade union struggle

Bruno Bauraind Gresea
Jean Vandewattyne UMons

The workers mobilization model presented in the previous article is designed to exclude collective stakeholders in the company. Ryanair employees have no job security, their pay and employment conditions are extremely precarious. Labour management aims to individualise pay and careers. Workers are made to compete with one another and are under tight rules. In addition, there is an open hostility towards collective organizing. For the reasons mentioned above, collective action according to Collovald and Mathieu is a highly unlikely event in such a company.[1]

And yet, for several years, Ryanair employees have been campaigning against their management and its policies, first individually and then collectively, to improve their income and employment conditions. In this article we will first look at the union discrimination within Ryanair and then review collective action. We will focus on Belgium essentially. From time to time however we will cross national borders as the divide between national and European trade union action in this company is unrestricted. We shall see that the European dimension of trade unionism can at times strengthen national trade union development and at other times hinder it.

Ryanair union busting

As early as 2004, the European Transport Workers' Federation (ETF), supported by Amnesty International, condemned the company's anti-unionism: "Ryanair is the only major airline where unions have not been given recognition. [...] Even the other low-cost airlines acknowledge trade unions, except perhaps those that have been created recently and where workers have not yet had time to organise any."[2] As we shall see, it was

1. Collovald, A. and Mathieu, L., "Mobilizations improbables et apprentissages d'un répertoire syndical" (Unlikely union movements and lessons learned from a trade union repertoire), *Politix* n°86, 2009/2, p.119-143.

2. Amnesty International, *Ryanair: social practices VS cheap tickets?*, 2004 cited by Vandewattyne, J., "Ryanair ou le refus du dialogue social institutionnalisé" (Ryanair or

only from the end of 2017 that Ryanair gradually recognised trade unions in Europe, first the pilots' and co-pilots' organisations, then the cabin crew unions. But this did not prevent the Irish company from continuing to publicly claim an anti-unionism stance, which is expressed through three strategies. The first one targets employees individually. Company management either used the threat of dismissal or financial incentives to prevent workers from joining a union. The second is a group strategy to prevent strikes and bypass collective bargaining. The third strategy is indirect. It aims to put pressure on the trade union organisation through political power.

Michael O'Leary's frequently rants about unions. In 2019, in the middle of a social conflict, he urged the Belgian trade unions to "shut up and go to work"[1]. In contrast, testimonies of employees dismissed for trade unionism are much rarer. Until 2017, fear discouraged employees from joining a union. And, for the few exceptions, sanctions were soon to follow. In 2009, for example, a pilot based at Stansted (London) was dismissed for distributing a union flyer to cabin crew flying with him. The London Labour Court declared the dismissal unfounded and illegal. Ryanair was ordered to pay compensation amounting 46,000 to the pilot, but he was never reinstated[2]. For a long time, the discrimination of Ryanair's management when faced with even minor trade union actions made it almost impossible for union officials to communicate with staff. A former CNE-CSC trade union officer said: "At the beginning [of the 2000s], when we tried to approach Ryanair workers at Charleroi airport, we did not receive a very warm welcome! In those days there was a lot of fear and also a high sense of corporate culture."[3] According to Jeremy Anderson, a permanent representative of the International Transport Workers' Federation (ITF): "Until 2017, all Crewlink employment contracts included a clause of dismissal in case an employee took part in a protest or a demonstration."[4] Ryanair's management believes in long legal wrangling in courts and this is a cornerstone of its business model.[5] Even though Ryanair has since been forced to recognise unions, the fear of redundancy or administrative hindrance are all-too-real. At the end of 2019, during a training seminar for the first trade union delegation at Ryanair in Belgium, the protection of the trade union mandate was a constant concern for the participants.

In addition to the threat of dismissal, Ryanair also uses financial incentives to discourage cockpit staff from joining a union, and does so in total disregard of the law.[6] In 2005, *La Libre Belgique*, a Belgian daily national newspaper, wrote that Ryanair in the midst of an industrial dispute with Irish pilots had decided to a 3% wage rise for non-unionised employees.[7] Another example was in 2017, when management again offered pilots at certain bases, including Dublin, a bonus ranging from €5,000 to €10,000 provided they did not join a union and continued to negotiate with Ryanair via the company's

the refusal of institutionalised social dialogue), *La nouvelle revue du travail* , 2016 [online].

1. *La Libre Belgique* 19 September 2019.

2. Déplacementspros.com from 22 March 2011, [online].

3. Interview #9, February 2013.

4. Anderson, J., "'We are no longer afraid': the unexpected activism of Ryanair workers", *Mouvements* n°95, 2018/3, p.128.

5. Airscoop, 2011.

6. This has now been condemned by the European Court of Human Rights, Wilson case, 2002.

7. *La Libre Belgique*, 19 May 2005 [online].

internal representation system.[1] The Employee Representative Council (ERC) is the internal social dialogue system. It forms the basis of the Irish company's second anti-union strategy.

Ryanair's management sees trade unions as an obstacle to freedom of trade and economic development. Since the mid-1990s, it has favoured direct negotiation with its employees through a structure created by the company, the Employee Representative Council (ERC). It is within this framework that, until 2018, multi-annual agreements on wages and working conditions were 'negotiated'.[2] In 2010, the Irish Congress of Trade Unions (ICTU), supported by the industry's global union federations (ETF and ITF), filed a lawsuit with the ILO about the ERC. According to the complainants, it is a "dummy entity, totally dependent on the company"[3]. Some employees who participated in the ERC as staff representatives report "never-ending talks", "pressure from management" and "great psychological fatigue"[4]. Institutional collective bargaining is bypassed[5] by airline management. Strikes are systematically prevented. To do so, during a strike, Ryanair makes up the numbers by assigning workers from other hubs.

At Ryanair, this anti-unionism partially determines where the company chooses to set up bases and invest. For instance several bases were closed or threatened with closure when the public authorities or the national trade unions were too demanding. In 2010, Ryanair was investigated by the Aix-en-Provence court for breach of labour law, impeding the company's work committee and preventing access to the unions[6]. In response, in 2011, the airline decided to close its Marseille base and transfer aircraft and staff elsewhere in Europe. However, the company continues to fly to the French airports from other bases. In the same year, it also announced the closure of its Spanish base in Reus, due to a dispute with the Catalan authorities. In 2015, Danish unions organised a strike to force Ryanair to negotiate a collective agreement for pilots and cabin crew with the Flight Personnel Union (FPU). It was a solidarity strike by the airport ground staff who were not under contract to the Irish airline. At the same time, the Danish trade unions also launched an awareness campaign highlighting the threat Ryanair poses to Danish labour law.[7] In response, the Irish company decided to close its Copenhagen base, just two months after opening it[8]. In early October 2018, Ryanair announced its intention to close its base in Eindhoven (Netherlands). According to management, it was for economic reasons. However, for some flight attendants, this was mainly a retaliatory measure against the Federatie Nederlandse Vakbeweging (FNV) union and the employees who took part in the European strike

1. *La Libre Belgique* 29 September 2017 [online].

2. Vandewattyne, J., "Ryanair ou le refus du dialogue social institutionnalisé" (Ryanair or the refusal of institutionalised social dialogue), *La nouvelle revue du travail* 2016 [online].

3. Vandewattyne, J., "Brussels Airlines et Ryanair : entre restructuration et régulation sociale du secteur aérien" (Brussels Airlines and Ryanair: between restructuring and social regulation of the airline sector), in Gracos, I., *Grèves et conflictualité sociale en 2012*, Brussels, Crisp, *CH* n°2172-2173, 2013

4. Interview #3, December 2019 and #11, September 2020.

5. Dugué Bernard, *Le Travail de négociation. Regards sur la négociation collective d'entreprise (The Work of Negotiation Insights into company collective bargaining)*, Toulouse, Octarès, 2005.

6. *Le Monde* 13 October 2010.

7. The International Transport Workers' Federation (ITF) website: https://www.itfglobal.org/fr/news/appel-soutenir-les-heros-du-ciel-danois.

8. Anderson, J., idem, p.129.

on 28 September 2020 (see below).[1]

The threat of base closures and job losses primarily serves the company's interests in dealing with political authorities when it comes to renegotiating investment agreements. Nonetheless, it also contributed to the silence of the public authorities in the face of the anti-unionism of the Irish firm, thus depriving the unions of any political support.

Finally, neither the workers mobilization model nor the trade union discrimination carried out by the company were enough to prevent Ryanair from unionization. They only delayed the process which took almost 20 years in Belgium. The first meetings between workers and a trade union and in this instance the CNE-CSC took place in 2002. Because of little membership from within most of the trade union work was legal action in courts, an uncommon practice in Belgium.

2003-2011 The legal origins of a trade union structure

The first years of Ryanair's presence in Charleroi were widely supported by the political and civil society. This broad backing was designed to encompass both the deprived economic area and boost airport employment with Ryanair's arrival. Therefore, all possible steps were taken to ensure that the airport venture succeeded! In this context, social or environmental criticism finds very few openings outside the company. In fact, until now, only the CNE, the national centre for French-speaking employees of the CSC, and ACV Puls[2], its Dutch-speaking counterpart, have really been involved in this issue. Within the company, employees simply do not have a voice, despite the presence of the CRE.

In the end, it was a press article from 2002 that led to the first trade union action in Charleroi. It deals with the dismissal of several flight attendants in violation of Belgian labour law. Despite not being able to identify the dismissed cabin crew members, a union official from CNE-CSC decided to take action. Through a journalist he got hold of one of the dismissed employee's phone number making this the first encounter between a Ryanair worker in Charleroi and a Belgian trade union. The Ryanair case soon became iconic within the CSC federation. The union even decided to make it a political issue by covering the legal fees of the dismissed workers, regardless of the fact that none of them were union members. For this former CNE trade union official, the CSC and most of the trade union member organizations realised that alike truckers, ship and construction, the direct competition of labour national legislation against each other in an European dimension made this out to be a highly political issue[3].

In this context, the CNE took legal action in 2003 to have Belgian law, rather than Irish law, enforced in the case of three flight attendants who had just been dismissed by the company at the end of a one-year trial period**.** With this lawsuit, beyond individual situations, the CNE wanted to set a case enabling all Ryanair flight workers to be entitled to the same social

1. However, Ryanair's choice of bases is not solely determined by the presence or absence of union representation. Proof of this is that after 2011, the company continued to serve Marseille airport and despite the introduction of a union delegation at its Brussels and Charleroi bases at the end of 2018, Ryanair has not reconsidered its presence in Belgium.

2. Ex-LBC, ACV Puls has been involved in the issue since 2014 and the arrival of Ryanair in Brussels.

3. Interview #8, 18, September 2020.

standards in Charleroi[1]. In 2005, having been told by the Court of Justice of the European Union (CJEU) that it had jurisdiction over the case, the Charleroi labour court ruled in favour of the flight attendants and the CNE. The court ordered Ryanair to pay compensation to the plaintiffs of up to 15,000 euros[2]. The labour court stated that the Belgian legislative framework should apply to all flight crews at the Charleroi base. But Ryanair appealed to the Mons labour court which, in 2007, went against the Charleroi court and dismissed the plaintiffs. The Court argued that only an Irish court had jurisdiction to handle the case. The CNE had to accept this legal defeat. Ryanair's management was pleased with the ruling. Shortly after this event, Ryanair decided to outsource a large part of its workforce to Crewlink and Workforce[3].

In June 2007, Ryanair tightened its grip on the Walloon public authorities. On the 15th of June, workers from MET, the Walloon Ministry of Equipment and Transport, blocked both Walloon airports to protest against the transfer of their activities to the private sector. The Irish company then put pressure on the government to ensure no further strikes would hinder their activities. Whether from a political or legal standpoint, Ryanair were in a position of power. But the foundations for union action were set and it is once again a press article that will trigger another bout.

On 25th of May 2011, the newspaper *L'Avenir* published Natacha's[4] story, a flight attendant who said she was "psychologically burnt out" and who described "appalling working conditions" at Ryanair in Charleroi. Her story was then republished in the majority of [5]Belgian newspapers. After being call upon by CNE officials, the air hostess decided to become the first trade union representative at Ryanair in Charleroi. As Albert Hirschman[6] conceptualised this, she was the first employee to "voice" and challenge the company (rather than to "exit" and leave. Mentally drained, she was also looking for a way to leave the company. She led the first trade union action outside the Belgian courts. While on stand-by, Natacha went to the airport to distribute in her fellow flight attendants' lockers a leaflet presenting the union, co-written with the CNE and translated into English. Certain cabin crew members did not take to this very well thinking that she was undermining their work. Eventually, she was summoned for a disciplinary interview in Dublin. She was blamed by the HR department for various unjustified absences. She was fired without being able - or willing - to prove that she was dismissed for trade unionism.

While the dismissal may be seen as another defeat for the CNE, the hostess's testimony exposed the ongoing social scandal at Ryanair. The press became increasingly interested in the working conditions of

1.Vandewattyne, J., "Le conflit pour l'amélioration des conditions de travail du personnel naviguant de Ryanair" (The dispute over improved working conditions for Ryanair flight crews), in Gracos, I., *Grèves et conflictualité sociale en 2011*, Bruxelles, Crisp, *CH* n°2135-2136, 2012, p.96.

2. Vandewattyne, J., p.97, idem.

3. See the article "Workers mobilization model at Ryanair" in this issue of *Gresea Échos*.

4. This is an invented name.

5. RTL info, RTBF, L'Echo, as well as France Télévision, Le Figaro and Europe 1 all reported on this testimony. The hostess also testified later in documentaries produced by France Television and RTBF.

6. Hirschman, A.O., *Exit, voice, loyalty*. *Défection et prise de parole* (Defection and speaking up), Brussels, ULB (reprint), Ublire Poche, 2017, 160 pages.

Ryanair cabin crews. Political circles were forced to react, albeit cautiously[1].

On the trade union side, after announcing in June 2011 an action to block the planes, the CNE backed out and decided to campaign directly passengers to raise awareness. Meanwhile, the union filed a new lawsuit against Crewlink on behalf of five current and former workers of the Irish company. This time, the summons was aimed at the subcontracting company for non-payment of wage regularisation, severance pay, minimum wage, transport, clothing and training expenses.

There is a general trend in Europe for the judicialization of social conflicts. However, in Belgium, resorting to the courts during a social conflict is rarely undertaken by a trade union organisation, especially against a company that has made judicial guerrilla warfare its trademark. Usually, this practice is more a matter for the employers' side. But in the case of Ryanair, three elements forced the CNE to turn to the courts rather than to collective action: 1) the absence of members and therefore of campaigning capacity within the company; 2) the almost absolute silence of the Belgian and European political world and 3) the refusal by management of any form of dialogue with a trade union organisation. Although at times frustrating for union officials, this period did help to highlight the worsening working and employment conditions of the company's staff. In the political world and among passengers, it is becoming increasingly difficult to ignore the fact that Ryanair is not only the 'bus of the sky', but also a 'low-wage factory' in the heart of Europe**.**

Finally, the attitude of Ryanair's management, particularly that of Michael O'Leary, also encouraged, involuntarily, the creation of a trade union movement. At a press conference in Madrid in March 2011, O'Leary called on the European Union to ban the practice of strike action by European air traffic controllers. A few months later, he went further by sending ten roses to the unions of the Portuguese airline TAP, which had just called a strike for the month of July. With this bouquet, O'Leary wanted to thank the Portuguese union for bringing in customers during the summer period[2]. There are many examples of the Irish company's CEO taking to the stage to praise his business model, to explain that his pilots are too well paid or that the unions are an obstacle to economic development. Unlike many CEOs and owners of multinational companies, he is highly visible in the media. He embodies the company. For example, he was named Businessman of the Year by *Fortune* magazine in 2001. But for the trade unions, he is also the perfect opponent, the type that employees fear and hate. He personifies the violation of workers' rights and, in doing so, unwittingly contributed to the development of trade unionism.

Rights at Ryanair and Ryanair must change

In the early 2010s, national cabin crew unions affiliated to the European Transport Workers' Federation (ETF) and the International Transport Workers' Federation (ITF) significant progress. In 2011, the European federation commissioned a study on low-cost airlines. Published in 2012, the report, targeting Ryanair in particular, demonstrated the widespread risk of precarity that these companies represent for the entire airline sector[3]. François

1. Vandewattyne, J., ibidem, p.98.

2. Vandewattyne, J., p.100.

3. Harvey G.and Turnbull, P., "The Developement of the Low Cost Model in the European Civil Aviation Industry", Final Report for the European Transport Workers' Federation, ETF, 2012.

Ballestero, political secretary of the ETF at the time, demanded that Ryanair apply ILO[1] conventions 87 (freedom of association) and 98 (the right to organise). In 2012, both the employer and trade union sides of the International Labour Organisation (ILO) accepted the joint ETF/ITF complaint about Ryanair management refusing social dialogue (see above). Finally, on the 22sd of May 2012 a regulation of the Council and the European parliament clarified from then on that in respect of where you work, social security legislation of that member state will apply[2]. This settled the important issue of social security, but it did not yet settle the issue of labour law.

With these developments, meetings about Ryanair in national union exchanges increased within the ETF and ITF. In 2017, these interactions led to a multi-faceted campaign under the slogan Rights at Ryanair. The ITF set up a Facebook page entitled "Cabin Crew United", approached the company's shareholders, carried out awareness-raising activities aimed at politicians and passengers and, above all, organised a summit on Ryanair in July 2018, from which the federation drew up the "Ryanair Crew Charter", containing demands relating to employment, national contracts, sick leave, on-board sales and ground work[3]. However, the member unions of the European and international trade union federations were unable to reach an agreement on the opportunity that cabin crew should engage in industrial action. There were ideological, strategic and interpersonal differences between the unions. The ETF, bound by the consensus of its members and the European institutional framework, had no right to decide on a transnational strike. In contrast, some national unions favoured strike action.

These differences led some national trade union officers to set up an ad hoc transnational trade union network: the Striking Group. It brings together, at various times, the unions representing cabin crew in Belgium (CNE and ACV Puls), Spain (Sindicato Independiente de Tripulantes de Cabina de Pasajeros de Líneas Aéreas - SITCPLA; Unión Sindical Obrera - USO), Italy (Federazione Italiana Lavoratori Trasporti - FILT, affiliated to the Confederazione Generale Italiana del Lavoro - CGIL; UIL Trasporti, affiliated to the Unione Italiane del Lavoro - UIL), the Netherlands (Federatie Nederlandse Vakbeweging - FNV), and Portugal (Sindicato Nacional do Pessoal de Voo da Aviação Civil-SNPVAC). They came together with a new slogan: Ryanair must change. While the European and international federations give priority to lobbying the European authorities, the members of the Striking Group want to organise the workers in the airports to gradually create a 'European strike'. This network is largely based on interpersonal relationships and is funded by the national unions. In addition to the formation of this union network, which will act as an umbrella group for cabin crew strikes in 2018, there are two other events that triggered strike action against the Irish company. The first one is, once again, a matter of justice. The second is due to an error in personnel management that caused a shortage of pilots and co-pilots at Ryanair.

A favourable context for transnational action

In response to the CNE's lawsuit and in reference to the a question from the Mons Labour Court in a preliminary ruling, on the 14th of September, the CJEU decided

1. https://europaforum.public.lu/fr/actualites/2012/10/conf-low-cost/index.html.
2. EU Regulation No 465/2012 of the European Parliament and of the Council, 22 May 2012 [online].
3. Ryanair Crew Charter by the International Transport Workers' Federation (ITF), [online].

that the labour law applicable to flight crews is the law of land. In other words, the claim made by Ryanair to consider the home port of aircrafts as ground for judicial competence was considered unlawful. In the wake of the social security ruling of 2012, once again the CJEU decided in favour of the plaintiff and more specifically the CNE. Although the Belgian courts waited until June 2019 to close the case by applying the decision of the CJEU[1], the latter's response weakened the company's position in all European countries where it operates.

A few days after this decision, another event undermined the company's management, which was forced to announce the cancellation of around 20,000 flights between September 2017 and March 2018. The company justified its actions by claiming punctuality problems or an error in the organisation of the pilots' holidays. But soon Ryanair conceded that it was facing a shortage of pilots and co-pilots. Dissatisfied with their employment and working conditions, many pilots decided to respond favourably to the higher salaries offered by Chinese and Gulf companies. In this context, they were key players in the social conflicts that occurred in 2018. They are less easily replaced than cabin crew. They also had a collective voice through the European Employee Representative Council (EERC), an emerging 'home-made' union that was not recognised by the company. Just like cabin crew members they called for contracts in relation to work location and better working conditions as well as freedom of association and collective bargaining from an independently recognised trade union[2]. These demands were rejected outright by Ryanair, which thereby maintained its refusal to negotiate with a union. As usual, however, the company made an offer to pay a one-off bonus to pilots in exchange of ten days' paid leave and agreed to commit to staying with the company until November 2018[3]. This 'compensation' only convinced a minority of pilots. Most of them wished to take things further and demanded the departure of the company's management[4]. Italian pilots[5] were the first to call a strike on 15th of December 2017. They were joined by the Irish[6]. Measures were also planned in Germany and Portugal. After threatening the pilots, the management finally gave in. As the Christmas holidays approached, the company agreed to recognise the unions. Strike notices were lifted, except in Germany where management failed to show up for a scheduled meeting with the Vereinigung Cockpit, the German pilots' union. Although it had little impact on the company's business, on the 22sd of December 2017 Ryanair faced the first strike action of its history. After the events of September 2017, pilots joined unions by the hundreds. On 30th of January 2018, Ryanair recognised the British Airline Pilots Association (BALPA) as the representative body for pilots in the UK.

In Belgium, pilots are represented by Beca (Belgian Cockpit

1. Palsterman, P., "Towards the end of the Ryanair system", *Democracy n°9*, September 2019.
2. In addition to the demands mentioned in the text, the pilots demanded the possibility to take leave during the summer, payment for stand-by hours, unpaid drinks and meals during flights, payment by the company for hotel accommodation during stopovers and establishing a pension and health care plan at the company's expense.
3. Bauraind, B., and Vandewattyne, J., "*Ryanair must change*: une victoire sociale et syndicale dans le monde du low-cost" (Ryanair must change': a social and trade union victory in the world of low-cost), in Gracos, I., *Grèves et conflictualité sociale en 2019,* Brussels, Crisp, *CH n°2424-2425, p.32.*
4. Interview #3, December 2019.
5. These pilots are affiliated to the ANPAC union.
6. These pilots are affiliated to the IALPA union.

Association)[1] which is not a recognised body in social consultation allowed to negotiate collective agreements and, for this reason, they tried to work hand in hand with the CSC. On the 19th of January 2018, the three organisations met with Ryanair management but failed recognition to trade union representation. The situation was a deadlock and management was stalling for time in the hope that unionization would dwindle. This did not happen.

A historic transnational strike

During 2018, the Irish company experienced a succession of industrial disputes, including four major strikes[2]. Under the slogan "Ryanair must change", the flight attendants confronted their management head on soon to be followed by cockpit crews. Cabin crew based in Portugal were the first to take action. The Portuguese union called for an initial renewable strike on the 29th March, 1st of April and on 4th of April 2018. At the European level, unions fought to prevent Ryanair management from bringing in planes and crews from other countries to replace striking staff. In Belgium, for example, the CNE and ACV Puls urged stewards and stewardesses not to go to Portugal. This strike was a wake-up call for many of Ryanair's cabin crew, who realised that a work stoppage was in fact possible. Until then, the company's threats to transfer staff from another base had always hindered the workers' efforts.

In this context, the Portuguese union, through the Striking Group, called for the first European strike of cabin crew. The Europeanisation of the conflict led to an initial strike notice for the 30th of June. It was eventually cancelled and replaced by a Striking Group meeting in Brussels, where the unions decided on a new 48-hour strike notice for the 25th and 26th of July 2018. It concerned cabin crew operating in Belgium, Spain and Portugal. In Italy, for legal reasons, the action was limited to the 25th of July. The union's aim is to bring to a halt 200 airplanes and above all to prevent Ryanair management from reducing the impact of this industrial action by bringing in both aircrafts and crews from other countries as it had done so during the strike in Portugal. For the trade union officials and the few activists inside the company, the gamble was risky, as employees had to be convinced to participate and, most importantly, be reassured. To do this, activists had little time and suffered from a lack of infrastructures specifically designed for trade union action. They had to convince their cabin colleagues to join the movement during flights. Social networks were also used extensively.

Meanwhile, management applied as much intimidation as it could against workers. In a video sent to staff members, the human resources department stressed that no one is "obliged to go on strike. Those who decide to work have our full support (...). Recent strikes have shown that the majority of staff went to work"[3]. Human resources also requested that those wishing to strike indicate this in order to reduce uncertainty.

The impact of the strike varied from country to country. In Belgium, it was a success. At Zaventem, according to union sources, 80% of the cabin crew went on strike. In total, on the 25th of July, 26 flights out of the 40 schedulled were cancelled. In Charleroi, 56 flights were cancelled. In both airports, striking

1. https://www.beca.be/.
2. For a full account of these strikes: Bauraind, B. et Vandewattyne, J., idem.
3. *Le Soir*, 18 July 2018.

Photo: ITF_25 October 2006_Strike hits Ryanair_Gerona_Flickr_CCBY-NC-SA 2.0

staff, wearing Ryanair t-shirts with the slogan "Ryanair must change", handed out leaflets in the boarding hall. These actions took place calmly and many passengers expressed their solidarity with the strikers and their demands. However, management indicated that the two days of action would be counted as unauthorised absences.

The movement was gaining momentum. At the beginning of August, pilots in five countries (Belgium, Germany, Ireland, the Netherlands and Sweden) filed strike notices. In the end, 396 flights were cancelled, which corresponds to one-sixth of the 2,400 scheduled flights. The only response from management was to stigmatise "a handful of strikers".

Faced with this behaviour, the cabin crew unions involved in the Striking Group announced on the 7th of September in Rome their intention to organise "the biggest strike the company has ever seen". They wanted to put pressure on the shareholders due to attend the general assembly on the 20th of September as shares had lost 25% of their peak value from a year ago. At the same time, the unions requested a hearing with the President of the European Commission, Jean-Claude Juncker, and European Commissioner Marianne Thyssen. However, shareholders will renew their confidence in Mr. O'Leary. Mrs. Thyssen will merely "reminded him of the rules"!

At the last minute, the unions representing the pilots based in Germany and the Netherlands joined the movement. In total, the strike called by the cabin crew unions resulted in the cancellation of 250 flights, including 48 in Belgium, which was much more than Ryanair's management had anticipated.

After four major strikes, subdued political response from the European Commission and ministers from six countries as well as public recognition of workers' demands, Ryanair's management changed its stance towards trade unionism in various countries.

An atypical trade union delegation

The 11th of October 2018, a first trade union delegation was created at Ryanair in Belgium. It included three pilots and nine cabin crew members. All trade union mandates were supported by both the CNE and ACV Puls. Only the Christian trade union confederation namely the CSC was really involved in this social struggle started 16 years earlier. Some Ryanair cabin crew representatives only learnt at the end of 2019, during the first training seminar organised jointly by the CNE and ACV Puls, that there were other unions in Belgium.

Compared to a traditional trade union delegation, the Ryanair delegation is particularly atypical. Of the twelve union delegates, only two pilots are of Belgian nationality. The nine cabin crew representatives are from other countries: Spain, Greece, Lithuania, Italy, Portugal and Brazil. None of the cabin crew representatives are fluent in French or Dutch. For most of them, apart from a few small jobs, Ryanair is their first professional experience. For most, it is also their first experience of activism.

Although the presence of Beca pilots in the CNE-ACV Puls union delegation allows for communication between the two main trades present at Ryanair, this composition is not without clashes, as the resources and interests of the two are sometimes very different.

On the 15th of February 2019, the pilots assigned to the Belgian bases approved a collective labour agreement (CLA) covering salaries, working hours and the possibility of having salaries paid into a bank account in Belgium. On the 1st of April, Ryanair management agreed to transform the Irish Crewlink or Workforce contracts for cabin crew into Ryanair contracts, respecting the legal framework enforced in Belgium. In May, a protocol agreement was reached, including on the minimum wage. According to union sources, salaries should increase by an average of 25% for the lowest paid cabin crew (whose monthly salary was sometimes below 900 euros gross!) and by 8% for the others. Finally, on 3 June 2019, like the pilots before them, the cabin crew approved an initial CLA[1].

However, the victories achieved in Belgium could not be applied to all 21 countries and 86 bases where Ryanair operates. According to an ETF report in 2019, strikes had helped trade unions in England, Italy, Spain, Germany, Ireland, Sweden, Greece and Portugal to become more widely recognised. This gives access to freedom of association to about 50% of the company's personnel[2]. However, in some of these countries, the Crewlink and Workforce contracts remain in place. Collective bargaining remains hampered and national law still does not apply. The countries where the social situation seems to have improved the most are Belgium, the UK and Germany.

Lastly, in Eastern European[3] countries, Malta, Cyprus and Morocco, no progress was reported by the European trade union federation. In Poland, cabin crew have even been forced to become self-employed freelancers after trying to set up a union.

The outcome of the 2018 strikes show a cause and effect relation between the strikes and social standards improvement. Countries affected by social conflicts have also experienced social progress. But it also shows a three tiered trade union Europe at Ryanair: trade unions in some "central and northern" countries capable of building up sufficient strength to obtain collective agreements and a structural improvement in industrial relations; trade unions in the 'south' which, despite large scale social battles and occasional victories, find it more difficult to obtain collective agreements; and finally, trade unions in the eastern countries which, where they exist, struggle to exist and are still subjected to the brutality of Ryanair management.

Recent events

At the end of 2018, two events changed the context of the social conflict between Ryanair employees and their management: the delay in deliveries of the new Boeing 737 Max and the shutdown of the European skies due to the Covid-19 pandemic.

In 2018, to support future growth, the company placed an order with Boeing for 135 new 737 Max airplanes and an option for an additional 75 airplanes in the years to come. Following the crashes in Indonesia (October 2018) and Ethiopia (March 2019) due to design flaws in the Boeing 737 Max, production and delivery of the US aircraft manufacturer's new model was suspended. These airplanes were allowed to fly again in November 2020. Cockpit personnel was a scarce commodity back in 2017 but they

1. Bauraind, B. et Vandewattyne, J., ibidem.
2. ETF, "A year of change. Ryanair's industrial relations a year after its big announcement", [online].
3. Poland, Hungary, Bulgaria, Czech Republic, Slovakia, Croatia.

were now plentiful in relation to airplanes availability. In addition, while some Belgian and German unions tried to implement the agreements reached in 2018, Irish and British pilots and Portuguese and Spanish cabin crew started strikes again in summer 2019[1]. In Ireland and England, the pilots demanded fair collective bargaining and a pay rise. In Spain and Portugal, cabin crew protested against the closure of some of their bases, the extension of the minimum service in case of strikes and the application of national labour law. But the balance of power is not the same as in 2018. The union actions ultimately had little effect on the company's business.

IIn Belgium, on the 6th of January 2020, at a time when first strained talks between management and trade union officials to set up elections for workplace representatives where taking place, Ryanair announced its intention to withdraw one of the four airplanes from its Brussels base by the 20th of April 2020. According to the company, the repositioning of the fleet is in response of the delay in deliveries of the Boeing 737 Max. A quarter of the 86 Brussels-based workers, including 18 cabin crew, were affected. To avoid layoffs, Ryanair proposed to transfer them to Italy. The CNE is sceptical about the legality of this transfer of staff without compensation: for the union, such a 'move' constitutes a breach of contract and, therefore, the payment of compensation.

The lockdown due to Covid-19 pandemic ended the negotiations related to the restructuring and the planned transfers were ultimately carried out.

In order to limit losses due to the pandemic, Ryanair's management made announcements with the intention of closures and restructuring in Europe. More than 3,000 jobs were threatened and to avoid this, workers were asked to accept up to 20% pay cuts leading them back to the situation which they fought against in 2018.

As a result, in July 2020, Ryanair management announced its intention to lay off 84 employees in Belgium (44 pilots and 40 cabin crew). In September of that year, it doubled the number of layoffs to 172 workers (106 flight attendants and 66 pilots). The *procédure Renault*, which provides a framework for collective dismissals in Belgium, proved to be a challenge for the company's trade union representatives. Most of them had little knowledge in this field with procedures and legislation. All the more testing because management did not take much notice of compliance with the legal framework. Consequently, on the 12th of November, it unilaterally ended phase 1 of the consultation and information phase of the *procédure Renault*. The CNE strongly condemned this decision and Ryanair's desire to lay off staff at a time when the airline was benefiting from economic unemployment aids to cope with the pandemic[2].

Unionism enacted

After having led an offensive struggle embodied by the mantra Ryanair must change, pilots, co-pilots, cabin crew and trade unions had orchestrated a changeover in the social practices of the low-cost airline but where now in a more defensive stance. Having won freedom of association, better employment conditions and higher wages in several countries in Europe, they now have to negotiate job protection and social plans. Given this unfavourable context for workers and the unions, the first election for trade union representatives in the workplace were a welcome break from the grey autumn weather. After continuous haggling with management, these elections took place in Charleroi and Zaventem by mid-November 2020. More than electing representatives it was a referendum on trade unionism and the actions carried out by the CNE and ACV Puls. The 80% participation rate demonstrates, regardless of what management says, that trade unionism at Ryanair in Belgium is no longer a minority issue.

Photo : Facebook-Ryanair must change

1. Bauraind, B., and Vandewattyne, J., "Ryanair: the return of strikes in Europe", in Gracos, I., *Grèves et conflictualité sociale en 2019* (Strikes and conflict in 2019), forthcoming.

2. *L'Echo*, 12 September 2020 [online].

GRESEA ÉCHOS N. 104 ***"RYANAIR MUST CHANGE" THE LOW-COST BATTLE***

Bruno Bauraind *Gresea*
Jean Vandewattyne *UMons*

What Ryanair has taught us

Since the mid-1990s, Ryanair has not only been a model for testing aggressive commercial strategies and undermining labour law, but also for unlikely trade union action in a highly regulated sector. The past 25 years of the Irish airline provide insight beyond Ryanair alone.

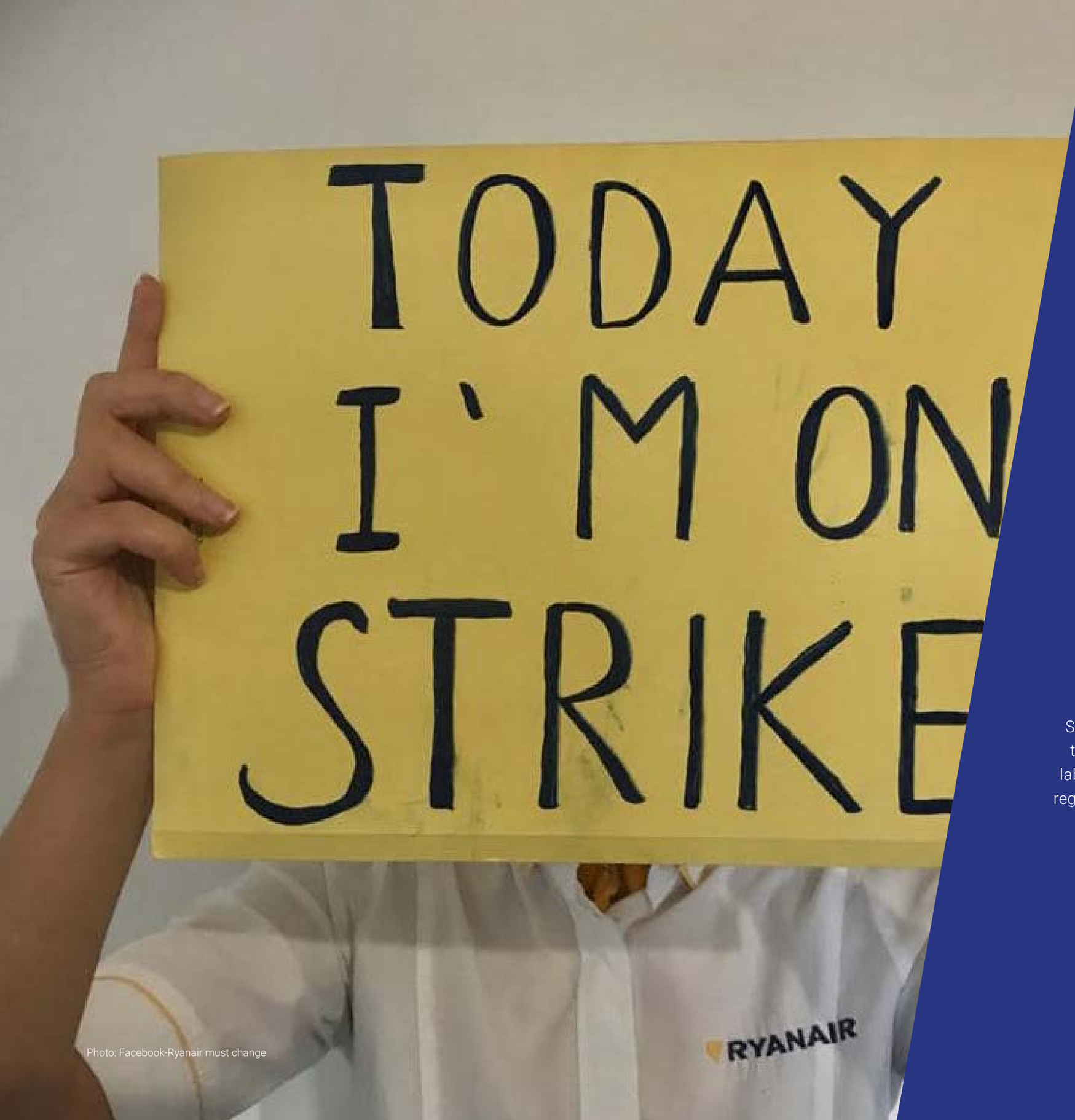


Photo: Facebook-Ryanair must change

What Ryanair has taught us

Bruno Bauraind Gresea
Jean Vandewattyne UMons

The consequences of the Covid-19 pandemic make projections in the aviation sector very unreliable. Nevertheless, we believe it is important to point out several lessons from the 'Ryanair case'.

It seems that one thing is clear. Compared to its competitors, Ryanair is expected to be strengthened by the current crisis. The Irish company is currently negotiating with Boeing for 150 new 737 MAX airplanes[1]. In addition, Ryanair is threatening to restructure by blackmailing workers to accept new terms and conditions of employment such as 20% pay cuts in exchange of safeguarding jobs. The bankruptcies and difficulties experienced by other airlines will leave many employees in the sector without jobs. This available workforce will inevitably undermine the unions' and employees' bargaining power against the company's management. In January 2018, Ryanair reorganised its operations and created Ryanair Sun, a subsidiary registered in Poland, known as 'Buzz' since 2019. The flight attendants employed by this subsidiary will no longer work there as employees, but as self-employed contractors. As well as having less social protection, these workers will also lack the benefit of trade union representation. Similar issues have arisen in relation to certain social practices at Malta Air, another of Ryanair's recently established low-cost subsidiaries[2]. IIn terms of union busting and staff management, with Ryanair, old habits die hard.

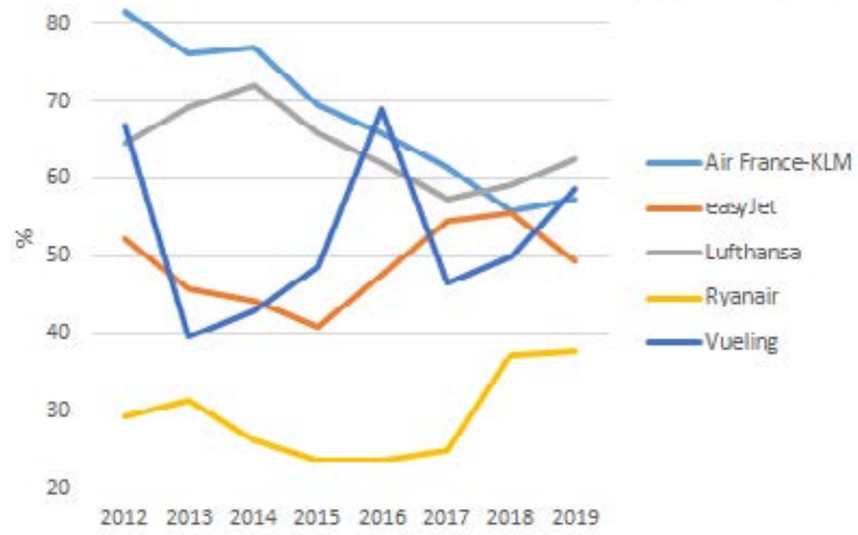
A driver in the industry

Over the past three decades, as a result of the liberalisation of the skies and the rise of low-cost airlines, particularly Ryanair, wages in the airline sector have gradually converged (**Figure 1**). The victories won by Ryanair

1. *RTBF* 2 October 2020 [online].

2. Bauraind, B., and Vandewattyne, J., "Ryanair must change': a social and trade union victory in the world of low-cost", in Gracos, I., *Grèves et conflictualité sociale en 2019* ,Brussels, Crisp, CH n°2424-2425, p.32.

Figure 1. Wage share comparison from five airlines
Source: www.mirador-multinationales.be



employees contributed to increase wage share in the company[1]. In contrast, at Air France-KLM and Lufthansa, two traditional airlines, the competition from the low-cost sector has decreased wages. The conflict at Ryanair is therefore not solely an issue for the employees and unions of the Irish airline. This is also a major issue in a sector that has traditionally been known for attractive terms and conditions of employment compared to other industries.

A substitution effect on employment

On a wider scale, Ryanair calls into question the neoliberal development strategy that has been adopted for three decades by the vast majority of public authorities in Europe. Walloon airports are a textbook case. By relying unconditionally on a private operator such as Ryanair to develop Charleroi airport, the Walloon Region has placed itself in a situation of structural dependence on an actor who has made the destruction of labour law a cornerstone of its business strategy. Not to mention the environmental damage caused by short and medium-haul flights. On this point too, Walloon policy makers have adopted a muted approach.

Some may argue that direct and indirect jobs have been 'created' in a region hit hard by deindustrialisation. Low-cost, but at what cost? These jobs are, at least in part, financed from public funds. Shouldn't we therefore question the 'substitution effect' of these subsidies? The public money invested in jobs at Ryanair could have been invested elsewhere. With the funds committed to the Irish company, the Walloon Region could, under certain conditions, have invested directly in industrial development, without going through a private operator. All the more so as different public investment choices would not have automatically prevented airport development. Charleroi Airport has other

1. The increase in the trend between 2017 and 2019 is also the result of the decrease in apparent labour productivity within the company. This is because the number of pilots and cabin crew has grown faster than the value added created by the company. The cancelled flights in 2017 therefore also have an impact on the development of the graph.

assets (e.g. its geographical location) than public subsidies alone to attract airlines. In light of this experience, we should be concerned to see the same thing happen again with Alibaba in Liege[1]. Finally, it should be remembered that passenger air transport or logistics, in the case of Alibaba or TNT, are not high value-added activities. Consequently, even from a purely economicist angle, the effectiveness of the 'advantages' granted to multinationals such as Ryanair or Alibaba remains questionable.

Negotiating : the other side of the trade union register

Another lesson from this study concerns trade unionism. Strong employer discrimination, precarious terms and conditions of employment, dividing labour management which atomizes collective action, cross-border workers facing a language barrier and with no experience or tradition in social conflict : Ryanair's employees do not meet any of the sociological criteria that are usually considered to favour social action and trade union establishment[2]. Yet, in some countries, these workers have fought offensively for substantial wage increases and improved working conditions. It can be estimated that, since the end of 2018, 50% of Ryanair employees are entitled to join unions[3]. In Belgium, the 80% turnout for the election of work-place representatives within Ryanair is a clear support from workers to their trade union.

However, if they have been able to rally around transnational strikes, the issue currently is how these new representatives will be able to use the other element of the trade union agenda: that of national collective bargaining. Most of them are convinced that without the departure of the current Ryanair management, no sustainable transformation of the company is possible. But whether it is in the framework of the trade union delegation (DS), the company council (CE) or the Committee for Prevention and Protection at Work (CPPT), they will have to discuss and negotiate with this management. Although management had to recognise unionization, it will try to circumvent it.

This equation between direct action and bypassing collective bargaining is not only the case at Ryanair. Strikes within labour platform[4] hotel industry or the cleaning sector amongst others raise a common question to trade unions. How to convert a process of social struggle into better social standards with an employer eluding collective bargaining?

A transnational strike for wages

The last lesson from this study concerns strikes. The action taken by Ryanair employees and unions between 2017 and 2019 is remarkable. The European strikes at Ryanair are not the first of their kind. The dockers, the steel industry and the car industry have already experienced transnational strikes[5]. As with prior industrial action, the Ryanair strike was not global. Only some of the company's

1. On this subject, see the report Fuite en avant logistique : quelles conséquences, quelles résistances ?" (The flight into logistics: what consequences, what resistance?) *Gresea* [online].

2. Collovald, A. and Mathieu, L., "Mobilizations improbables et apprentissages d'un répertoire syndical" (Unlikely union movements and lessons learned from a trade union repertoire), *Politix* n°86 p.120.

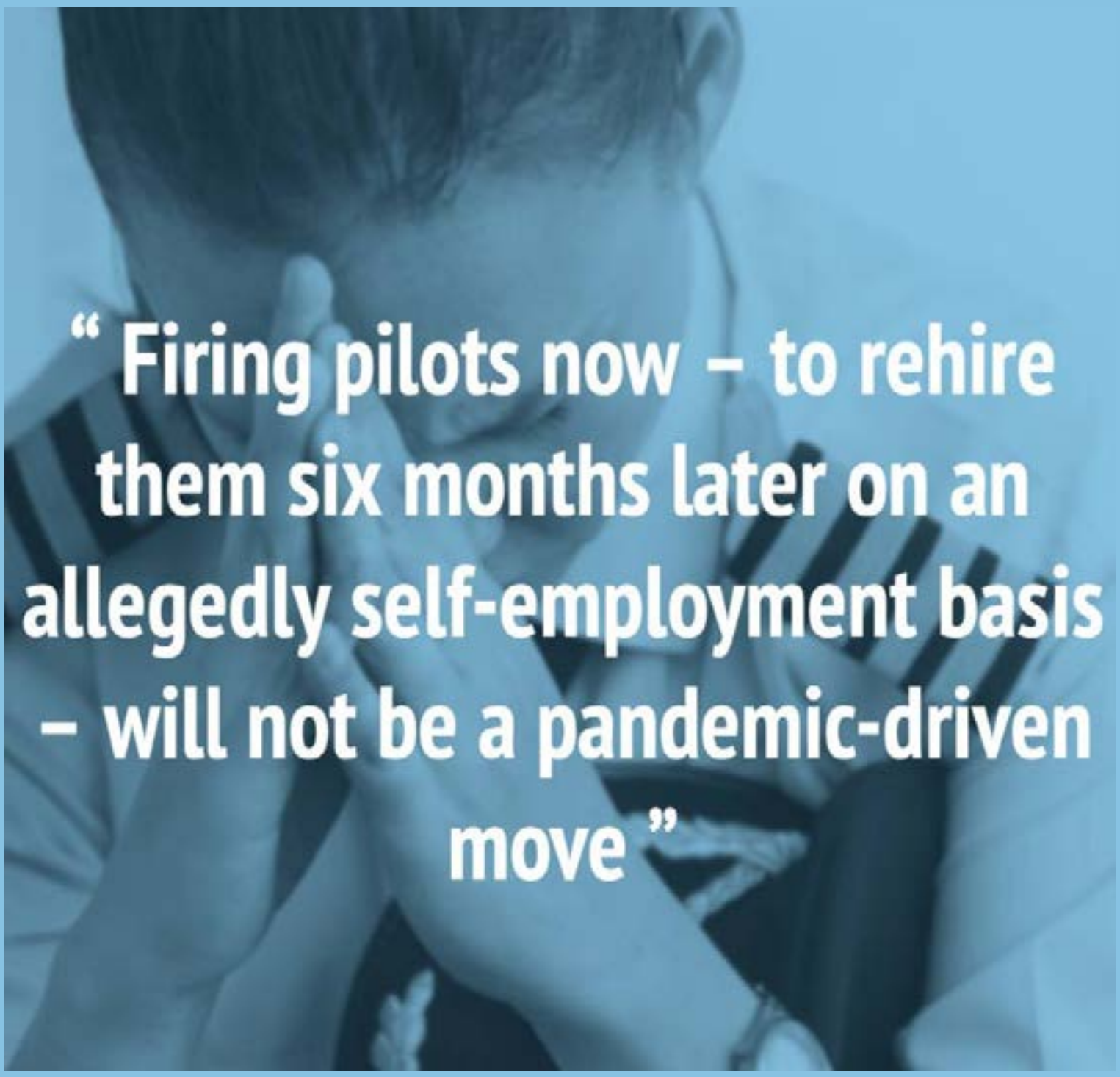
3. According to the ETF estimate in 2019.

4. Abdelnour, S. Bernard, S., "Mobilizing work, bypassing regulations", *La nouvelle revue du travail*, 2018.

5. Bauraind, B., "L'action syndicale d'entreprise face aux restructurations transnationales", (Company trade union action in the face of transnational restructuring). in *Les Mondes du travail* n°20, October 2017.

bases were affected. Unlike the car and steel industries, European strikes were aimed at safeguarding employment in a defensive stance responding to closures. Ryanair's workers made history in reference to social struggle because they led the first offensive European industrial action on terms and conditions of employment. Through their experience, and contrary to what many observers claim today, they have also demonstrated that strikes are still the best way to put an end to the various forms of social dumping practised in Europe and that it achieves, per se, through a reinstated collective aggregate an alternative to the neoliberal mobilization model.

Source: Facebook - ryanair must change - european strike


“ Firing pilots now – to rehire them six months later on an allegedly self-employment basis – will not be a pandemic-driven move ”

Gresea Échos N°104
Trimestriel : Octobre/Novembre/Décembre 2020

Photo cover
Photo - lucas-davies-unsplash
ISSN: 1377-7718

Responsible editor
Bruno Bauraind, c/o GRESEA

Editorial board
Bruno Bauraind, Anne Dufresne, Sebastian Franco,
Romain Gelin, Natalia Hirtz, Henri Houben, Cédric Leterme.
Mock-up
Giorgio Grasso

Layout
Nathalie Van Verre

Rereading
Anne-Lise Maréchal
Nathalie Van Verre
Fabrice Renière

Translation by PoliLingua from the French original version :
« *RYANAIR MUST CHANGE*, Lutter dans le low cost », *GRESEA Échos* N°104, décembre 2019.

With the support from Fédération Wallonie-Bruxelles,
University of Mons (UMons), CNE, and ACV Plus.

GRESEA Asbl
Groupe de Recherche pour une
Stratégie économique Alternative
Rue Royale 11, B-1000 Bruxelles
Tél. + 32(0)22197076
Email: info@gresea.be
Site: www.gresea.be

ABONNEMENT
18 euros/4 numéros
(6 euros/numéro)

Tarif étudiant et allocataire social
8 euros/4 numeros - 3 euros/numéro

IBAN: BE08-0682-4646-5913
BIC (swift): GKCCBEBB
N°Entreprise: 0420-806-883