



## **ETF Civil Aviation Section - Statement on 'Redefining the future of aviation'**

**Brussels, 19/10/2022**

An unregulated market within Civil Aviation has systemically failed. Governments have often fallen into the fallacy of non-intervention over concerns over 'moral hazard', only to subsequently pump unlimited monies into the sector when it is deemed too big to fail.

The market for aviation is critical both socially and economically for all the countries of Europe. It cannot be subject to unchecked periodic crisis.

Fundamentally the crisis faced with staffing in 2022 had at its basis in a complete and wholesale deterioration in both wages and terms and conditions of employees. The industry has proven itself incapable of transforming itself in order to achieve a position where it can provide employment sustainable and stable enough to function.

As with the banking crisis, protections now need to be put in place to ensure there is economic and operational resilience with the sector, so that it can provide the jobs that will sustain it over the coming months and years.

### **ETF Civil Aviation Section therefore proposes that:**

- All companies and organisations within aviation should be subject to stress testing for financial and operational resilience. There will be no ability to operate without passing such tests.
- Companies and organisations failing to meet operational levels will have their right to operate within the sectors or sub sectors reviewed and or fines levied.
- All contracts and pricing will be subject to minimal levels which will be based upon:
  - o operational resilience
  - o minimum safety standards
  - o service levels
  - o environmental protection





- social legislation compliance
  - There will be agreed, accepted, and clearly defined social costs within the industry which will need to be dispersed across all stakeholders who benefit from the associated services whether through private or public means. Such services are those critical to the maintenance and operation of aviation infrastructure (for example Air Traffic Management, regulation and compliance, development, and production of SAFs).
  - A clear understanding, acceptance, and agreement that sectoral collective bargaining is the critical mechanism to delivering operational resilience, service levels and standards, as well as driving safety and compliance.

