**Tripartite Workshop on civil aviation in Latin America: The social and employment consequences of restructuring after 11 September 2001**

San Jose, Costa Rica, 5-7 May 2003

Conclusions and recommendations

**CONCLUSIONS**

**General considerations**

1. This Workshop, which was held in San Jose, Costa Rica, follows up the Tripartite Meeting on Civil Aviation: Social and Safety Consequences of the Crisis Subsequent to 11 September 2001, which was held in Geneva from 21 to 25 January 2002.

2. The Workshop was held to give effect to recommendation no. 45(a) of the final Chairperson’s summary of the above Meeting.

**Challenges**

3. Latin America is characterized by economic and social conditions such that a state of emergency can be said to exist in the sector.

4. In some countries, the total number of customers has fallen since 11 September 2001, and although that situation has had less impact in Latin America than in some other regions, it could deteriorate as a result of the economic crisis which the countries of Latin America are now experiencing.

5. There was agreement on the need to find solutions to bring the industry back to stability, to restore revenues and profits, protect the knowledge base and continue investments in infrastructure improvement. The long-term stability of the sector is very important both from a regulatory and an economic standpoint.

6. The meeting considered that the air transport industry has a major impact on economic development and social cohesion, given the public interest responsibilities of governments for economic regulation, ensuring sustainability of the infrastructure, mitigating the adverse effects of the crisis on employment, and promoting good practices and social dialogue. Unfortunately, governments in the region are not always sufficiently aware of their role and responsibilities.
Currently, the most important task is that of re-establishing stability in the sector by maintaining standards in the civil aviation sector.

These challenges have had an adverse effect on the number and quality of jobs in civil aviation in the region, although it is unfortunately not possible to give precise figures.

Traditional business models used by airlines are inadequate for the new conditions. For example, the rise of low-cost airlines is a new factor in the industry.

The difficulties experienced by the region’s airlines include high taxes, airport and aviation service charges and fuel prices.

Insurance costs have risen as a result of the events of 11 September 2001.

For the same reasons, security costs have increased for airlines, although these costs should be borne by governments.

The development of air transport requires an adequate infrastructure, which implies continual investment with a view to meeting future demand, even in times of crisis.

There is a continuing requirement for training and retraining, both in the interests of employees and companies. Governments, within the framework of the ICAO and elsewhere, have a responsibility for establishing training standards, including licensing for cabin crew and technical staff.

The redundancies that have resulted in some parts of the region from the current emergency in the aviation industry have affected and may continue to affect a number of occupational groups.

Reinforcing a culture of safety and security in all segments of the aviation sector, through training activities and other activities aimed at helping employees to acquire new skills, will help to restore passenger confidence in the industry, and this in turn will lead to greater stability.

Questions of security and the associated costs require sound management, and governments have to assume appropriate responsibilities.

Severe Acute Respiratory Syndrome (SARS) is one of the external factors that may affect the aviation industry. It has direct implications for the occupational safety of workers in the sector, and the necessary measures will therefore have to be based on the recommendations of the relevant public health authorities.
19. It was agreed that war and terrorism liability insurance against third parties for all companies should be provided through the ICAO “Global Time” scheme, and governments should be urged to support this ICAO proposal.

**Social dialogue**

20. Social dialogue is understood to include all types of negotiation, consultation or simply exchange of information among representatives of governments, employers and workers on issues of common interest relating to economic and social policy. It can be either bipartite or tripartite and can take place at all levels – workplace, enterprise, national, regional and international.

21. The selection of the appropriate levels at which social dialogue will take place, the parties involved, their commitment to the process, training to effectively participate in the process, and the possible need for regional or national models, are essential preconditions for effective and transparent social dialogue.

22. There was agreement that changes in the industry where necessary – stability, restructuring, security and safety – needed to be discussed through a meaningful, transparent, results-oriented and productive social dialogue, reflecting existing and anticipated conditions.

**Best practice**

23. The Meeting considered that there was no single model of “best practice” and none was sufficiently adaptable to the circumstances and needs of different countries. Best practices are not static; their workings should be monitored and experiences shared. Best practices in crisis periods were intended to be of a temporary nature, and may not be suitable under normal circumstances. Socially responsible human resource policies could help to develop long-term, proactive human resource policies, building confidence between management and workers.

**RECOMMENDATIONS**

**Fundamental principles and rights**

24. Civil aviation workers and employers should enjoy the benefits of fundamental principles and rights at work, in particular the right to freedom of association and to collective bargaining.

**Safety and security**

25. Governments, social partners and other stakeholders have an important role to play in addressing safety and security. Governments have responsibility for the safety and security of their citizens and should ensure that appropriate security measures are in place for the aviation industry, and where appropriate, consistent with ICAO standards, recommended practices and guidance material.
Restructuring

26. The orderly evolution in air transport services should be ensured within the framework of ICAO and of its principles of sovereignty and reciprocity, so as to facilitate the participation of all nations in the provision and the enjoyment of economic benefits resulting from aviation services.

Social dialogue

27. In order to contribute to the development of a resilient aviation industry for the twenty-first century, social dialogue at the workplace, enterprise, national, regional and international levels should be encouraged. Social dialogue on civil aviation in Spain and the relevant European standards provide one such model. Different circumstances may require different approaches. However, broadly similar policies should be implemented among regional bodies such as MERCOSUR, the Andean Community, CARICOM, CACM, and other bodies in Latin America and the Caribbean.

28. Social dialogue has helped to find innovative and socially responsible solutions to the crisis but much more needs to be done. Social dialogue should include the provision of information on the situation of the company to all stakeholders. It should be based on good faith and seek to minimize all possible negative social consequences. Cooperation and dialogue between the social partners and with governments is vital to this end. The government should be an active partner in social dialogue as appropriate. Social dialogue should be an ongoing process. The Workshop welcomes the decision adopted by the ICAO Worldwide Air Transport Conference in March 2003, to take full advantage of social dialogue in the context of the global economic debate.

29. Tripartite aviation consultation forums should be established or strengthened at national and regional levels to ensure the involvement of the social partners in the development of national aviation policy.

The function of governments

30. Governments should recognize the critical public interest role that civil aviation plays in the overall economy and afford it an appropriate place in national or regional strategic planning.

31. Governments should encourage consultations among the social partners in civil aviation at all levels.

32. Governments in the region should include representatives of workers’ and employers’ organizations in delegations involved in negotiations on service agreements.

33. As a matter of “best practice”, the social policies of governments should provide for unemployment benefits, health insurance, training and further training for
unemployed workers. To that end, governments should ensure the implementation of best practices with a view to promoting industrial stability.

34. Governments should cover costs relating to security and should support mutual insurance coverage, thereby preventing financial damage to companies which can adversely affect conditions of work and lead to redundancies. Governments are urged to extend any necessary stop-gap measures in order to allow sufficient time to find permanent solutions to the problem of insurance against war-related risks.

35. Governments should continue to safeguard the independence and integrity of national air safety regulators and promote standardization of the applicable standards by these bodies.

36. Governments should continue to ensure, by making the necessary investments, that their national aviation authorities have the necessary means and resources for the effective oversight and implementation of all components of an increasingly global yet fragmented industry.

37. Governments should ensure a clear separation of jurisdictions and functions between civil and military aviation, leaving sufficient room for coordination and cooperation on security issues.

38. Environmental protection in the region’s aviation activities must be based on the idea that this is a sustainable activity, maintenance and development of which must not prejudice the interests of future generations. This principle presupposes investment in non-polluting technologies and the involvement in decision-making processes of local communities living in the vicinity of airports.

39. In view of the current precarious financial situation of the air transport sector, it is important to avoid increases in charges by airports and air traffic control service providers, while also noting the necessity for governments to safeguard the capacities of these key infrastructure elements.

40. It is essential that governments ensure that aviation service or product providers do not abuse their monopoly, and apply economic regulatory mechanisms based on the principles of fair payment, cost transparency and equality of treatment for all services, bearing in mind the need to ensure that all those in the value chain are cost-effective in providing their respective services.

41. There is a need to promote local aviation industries and activities in the region, through better regional integration and cooperation.

42. Governments should, in the context of new security regulations, ensure that the fundamental and civil rights of aviation employees are protected.
Governments, with the active support of the industry, should gather data, monitor employment and trends in the industry, and produce employment statistics, with a view to assisting social dialogue and planning in the sector.

Best practice

Steps should be taken to ensure the exchange and wide dissemination of information on the use of best practices with regard to socially responsible human resources policies. These practices could include the measures referred to in the national reports presented during this Workshop.

ILO activities

The ILO should:

Monitor the social, labour and economic impact of the current emergency and publish its findings;

Develop an active programme to promote tripartite dialogue in the region on specific key areas;

Establish active links with the CLAC;

Promote and disseminate best practices in the region in the area of social dialogue;

Intervene strongly to promote the fundamental rights of workers in the region and the application of the relevant Conventions;

Establish links with international financial institutions active in the region with a view to ensuring that the social dimension is integrated into the activities of these institutions;

Establish a permanent tripartite committee to monitor the activities of the sector;

Actively promote at the regional level the greatest possible participation by workers, employers and governments in these activities.