



ECA
Piloting Safety

PRESS RELEASE

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Pilots confronting Norwegian Air International's rights' avoidance scheme

Social dumping, forum shopping and operating under a “flag of convenience” are core elements of the new ‘business model’ with which Norwegian Air International (NAI) – a subsidiary of the low-cost Norwegian Air Shuttle – is trying to aggressively enter the long-haul aviation market. Pilot leaders from across the globe are meeting in Oslo to discuss the local, safety and employment implications of this ‘model’ and to plead for fair competition and a healthy European aviation industry.

“Pilots with Singaporean contracts, based in Bangkok (Thailand) flying for an Irish company with long-haul routes across the Atlantic, branding itself as being “Norwegian” – is that the new ‘European model’ that Norwegian Air International is trying to establish?,” asks Nico Voorbach, President of the European Cockpit Association. “We welcome any new player, which creates jobs and prosperity for the industry. But for us, European pilots, this is an opaque setup which corrupts the European idea of an open market, embedded in Europe’s social model, and spirit of fair competition. The proposed setup of NAI is designed so as to tilt the playing field in its favour with respect to other transatlantic carriers. The one thing we do agree upon with NAI is that their model is indeed “innovative” – in the sense that it offers creative ways to circumvent European and national regulations and disregard fundamental labour rights.”

During the two days’ meetings with stakeholders, US and Norwegian authorities in Oslo, ECA also expressed concerns about the lack of clarity over which social and safety legislation will apply and what social protection pilots would effectively receive. While being formally based in Thailand and with the majority most likely continuing to live in Europe, it is unclear which aviation authority will exercise safety oversight, how exactly and whether such oversight will have any impact. As NAI’s principal place of business is Dublin, at least on paper (as no flights are planned from Ireland), the Irish Aviation Authority (IAA) is responsible for the proper application of Community and national legislation. In case the IAA grants a permanent Air Operator Certificate, which NAI has applied for, it is questionable whether such oversight will have any impact with crews based outside the EU and never touching Ireland in reality.

“Ireland risks going down the route of becoming the world’s flag of convenience for certain airlines,” says Philip von Schöppenthau, ECA Secretary General. “With its ‘light touch’ regulations and tax haven reputation, the country has much to offer to companies which are keen to bypass many of the regulatory, tax and social obligations that airlines in other European countries comply with. NAI’s anti-competitive and socially harmful forum shopping is an issue the EU Commission must address immediately. So far we have only heard radio silence in Brussels.”

NAI currently operates with a temporary AOC issued in Norway and awaits the decision of the Irish Aviation Authority for a permanent Irish permit to allow it to fly to the US. The company has also applied to the US Department of Transportation for a foreign air carrier permit. The deliberately complex structure will allow the airline to exploit legal and regulatory loopholes and gain an unfair competitive advantage. Together with the US pilots' association – ALPA International – ECA is awaiting the decision of the US and Irish authorities, and is calling for a fair and healthy airline industry, which respects fundamental social and labour laws, and guarantees an effective safety oversight.

For more information about Norwegian Air International's operations, including its complex structure, please contact ECA at ke@eurocockpit.be

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Note to editors: ECA is the representative body of European pilot associations, representing over 38.000 pilots from across Europe. Website: www.eurocockpit.be.