




## European Platform tackling undeclared work


### Working group on fair competition in aviation

Denmark

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|  | <p><b>Summary</b></p> <p>The working group on fair competition in aviation includes representatives of the aviation industry, trade unions, and the relevant ministries. It was set up by the Danish Ministry of Transport (now Ministry of Transport and Housing) and established under the Danish Aviation Council to prepare a report on social dumping in aviation and help fight bogus self-employment in the sector. The working group holds regular meetings and monitors, exchanges information, develops policies and informs on policy initiatives from the Ministry of Transport and Housing in the area of fair competition in aviation.</p>  |
| <p><b>Title of the practice in original language</b></p>                          | <p><i>Arbejdsgruppen for Fair konkurrence i luftfarten</i></p>  |
| <p><b>Name(s) of authorities/bodies/organisations involved</b></p>                | <ul style="list-style-type: none"> <li>• Representatives of the aviation industry: the Danish Aviation Association (employers branch representing all Danish companies), Scandinavian Airline System (SAS), Sun Air, Billund Airport, Confederation of Danish Industry;</li> <li>• Representatives of trade unions: United Federation of Danish Workers, Danish Airline Pilots Association (DALPA), Danish Aviation Industry Association/Confederation of Danish Industry, Danish Flight Personnel Union, Danish Airline Pilots Union, the Union of Commercial and Clerical Employees, Danish Metalworkers' Union, Cabin Union Denmark (CUD);</li> <li>• Representatives of the relevant ministries and authorities: Ministry of Transport and Housing, Danish Transport, Construction and Housing Authority, Ministry of Taxation, Danish Supplementary Labour Marked Pension Fund (ATP), Ministry of Employment.</li> </ul> |
| <p><b>Sectors</b></p>   | <p>Transport and storage</p>  |
| <p><b>Target groups</b></p>   | <ul style="list-style-type: none"> <li>• Workers in the air transport sector (indirectly targeted);</li> <li>• Companies in the air transport sector (indirectly targeted).</li> </ul>  |
| <p><b>Purpose of measure</b></p>  | <p>Changing attitudes: awareness raising</p>  |




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|  | <p><b>Aims and objectives</b></p> <p>The working group on fair competition in aviation was established to investigate issues related to unfair competition and bogus self-employment in the air transport sector and to suggest possible solutions.</p>   |
| <p><b>Background context</b></p>  | <p>New employment models in the air transport sector, which combine airlines' ability to establish subsidiaries and home bases with the use of recruitment agencies may enhance complexity and uncertainty concerning which rules apply to employment contracts.</p> <p>Social partners started to discuss the issues related to these atypical models in 2010-2011. Both employers' and employees' organisations had concerns regarding an uneven playing field for both employers and employees.</p> <p>In 2014, a working group on fair competition in aviation, consisting of representatives from trade unions, industry and the State, was established to investigate issues related to unfair competition and bogus self-employment in the air transport sector.</p> |
| <p><b>Key objectives of the measure</b></p>                                       | <p><b>General Objective:</b></p> <ul style="list-style-type: none"> <li>• Encourage the reduction of unfair competition and bogus self-employment in the air transport sector both in Denmark and at the EU level;</li> <li>• Establish a forum for cooperation between the Ministry of Transport and sections of the airline industry, including trade unions.</li> </ul> <p><b>Specific Objectives:</b></p> <ul style="list-style-type: none"> <li>• Monitor and assess developments in the aviation sector in relation to social dumping and bogus-self-employment;</li> <li>• Prepare a report with recommendations on social dumping in aviation;</li> <li>• Propose solutions to social dumping in the aviation sector.</li> </ul>                                    |
| <p><b>Main activities</b></p>   | <p>The activities of the working group include:</p> <ul style="list-style-type: none"> <li>• Regular meetings (2-3 times per year) focussing on issues related to unfair competition and bogus self-employment in the air transport sector;</li> </ul>  |
| <p><b>Funding/organisational resources</b></p>                                    | <p>The activities of the working group are funded nationally.</p>   |



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|  | <p><b>Outcomes</b></p> <p>The working group on fair competition in aviation published a report suggesting solutions for tackling social dumping. The working group still works on encouraging the discussion on unfair competition both at the national and at the EU level.</p>  |
| <p><b>Achievement of objectives</b></p>   | <p>An important output of the working groups work was the publication of a report on Social Dumping in Aviation (2014) containing specific proposals for better rules to tackle bogus-self-employment and social dumping.</p> <p>The report was translated into English and sent to the European Commission, EU Member States and the EEA countries.</p> <p>The working group succeeds in:</p> <ul style="list-style-type: none"> <li>• Providing a formalised setting for discussing competition in aviation;</li> <li>• Helping develop a common understanding of relevant issues for the employment of aircrew;</li> <li>• Closely following the initiatives and proposals of the European Commission on unfair competition, raising awareness of the Danish viewpoints.</li> </ul> <p>In 2015, a further status report drafted on Social Dumping/Rule shopping in aviation described the related measures and initiatives implemented. This report was made into a note submitted to the Commission and other Member States with proposals on how to address the issues e.g. specific changes to Regulation (EC) No 1008/2008.</p> <p>The working group continues working with issues relating to fair competition such as rule shopping and working environment.</p> |
| <p><b>Lessons learnt and success factors</b></p>                                  | <p>Success factors include the following:</p> <ul style="list-style-type: none"> <li>• The structure of the Danish labour market model created a favourable environment for a Working group dealing with fair competition.</li> </ul> <p>Lesson learnt:</p> <ul style="list-style-type: none"> <li>• As social partners have different understanding and positions, it is important to adopt a solution-oriented mindset;</li> <li>• The social partners are confident tackling undeclared work when airlines are based in Denmark, but difficulties remain when it comes to cross-border activities and companies that are not based in Denmark. In these cases, the scope to act at national level is very narrow and related</li> </ul>  |



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|                        | solely to those circumstances not regulated by the EU (i.e. taxation);  |
| <b>Transferability</b> | The practice can be transferred to countries and sectors where social partners play an active role in national labour market policies and there is a spirit of constructive dialogue. |

| <b>Further information</b>          |   |
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| <b>Useful sources and resources</b> | <p>Report on Social Dumping/Rule shopping in aviation<br/><a href="https://www.trm.dk/en/publications/2015/report-on-social-dumping-in-aviation/">https://www.trm.dk/en/publications/2015/report-on-social-dumping-in-aviation/</a></p> <p>Status report on Social Dumping/Rule shopping in aviation - Status March 2015.<br/><a href="https://www.eurocockpit.be/sites/default/files/social_dumping_-_rapport_om_social_dumping_indenfor_luftfart_engelsk_version_2.pdf">https://www.eurocockpit.be/sites/default/files/social_dumping_-_rapport_om_social_dumping_indenfor_luftfart_engelsk_version_2.pdf</a></p> |