

**Joint Declaration of U.S. and European Transportation Unions in Opposition
To Norwegian Air International Flag of Convenience Scheme
November 24, 2014**

**Air Line Pilots Association, International
Association of Flight Attendants-CWA
International Association of Machinists
and Aerospace Workers
Transport Workers Union
Transportation Trades Department,
AFL-CIO**

**European Cockpit Association
European Transport Workers Federation
Norsk Flygerforbund (Norwegian ALPA)
Parat**

As leaders of transportation unions on both sides of the Atlantic, we call on the governments of the United States and the European Union to uphold their commitment to strong labor standards and the principles upon which the U.S.-EU Air Transport Agreement (ATA) was negotiated. With the U.S.-EU Joint Committee once again set to meet in a closed-door session to discuss the application of Norwegian Air International (NAI) for a foreign air carrier permit with the U.S. Department of Transportation (DOT), we believe that it is time for our governments to take the actions needed to promote positive growth, the creation of middle class airline jobs, and the highest standards for safety and security in the transatlantic aviation marketplace. And we further believe that this starts with the rejection of NAI's flag of convenience scheme.

The U.S.-EU ATA is the foundation for a powerful and growing airline trade alliance, and one that holds great promise for air travelers, for the American and European economies, and for airline job creation. Central to achieving this, however, is the strong enforcement and application of Article 17 *bis* – the “social clause” – of the ATA. Article 17 *bis* was adopted as part of the Second Stage negotiations which concluded in 2010. It states that “the opportunities created by the Agreement are not intended to undermine labour standards or the labour-related rights and principles contained in the Parties’ respective laws.” This important labor protection was the first of its kind and was heralded by negotiators as a revolutionary commitment to strong labor standards and worker protections and high-road airline business models.

If NAI's application is approved, however, the proposed NAI business model will reduce Article 17 *bis* to an empty talking point. The facts surrounding this application have been extensively detailed in the public docket. While Norwegian in origin and ownership, NAI already operates as an Irish air carrier, while its air crews are employed on individual employment contracts with a Singaporean hiring agency and based in Thailand. Furthermore, NAI has not yet indicated any plans for any meaningful flight operations into or out of Ireland. The clear and stated purpose behind establishing NAI outside of Norway is to avoid the application of Norway's legitimate labor, social, and tax laws, and to evade existing collective bargaining agreements. In other words, NAI wishes to develop social dumping. By definition NAI is attempting to launch a flag

of convenience operating scheme of the kind that the ATA and specifically, Article 17 *bis*, was written to prevent.

NAI's flag of convenience model would set a dangerous precedent for the transatlantic marketplace. If allowed to proceed unchecked, it will open the door to airlines that compete for international routes by shopping the globe for the lowest tax, regulatory, and labor standards. U.S. and European labor organizations were directly engaged in and present during the U.S.-EU negotiations and know that the business model proposed by NAI is inconsistent with both the intent and the spirit of the ATA.

In addition, it is imperative that safety and security issues are adequately considered and addressed as airlines such as NAI attempt to establish business operations based on forum-shopping for lax rules and regulations. The U.S. and European governments must insist on the highest standards for safety and security and aggressive enforcement of those standards has been the cornerstone of the safest aviation marketplace in the world. In light of comments by Norway's Ministry of Transportation, the European Transport Workers Federation has raised concerns with the European Commission that foreign cabin crew are not subject to the same criminal background checks as European cabin crew. To date, there has been no response to these concerns. It is critically important that our respective governments enforce the same security requirements, including comprehensive criminal background checks that are imposed on airline employees in the U.S. and Europe. Forum-shopping must never be permitted to undermine safety and security.

As the elected representatives of airline workers on both sides of the Atlantic, we welcome robust competition within the industry and firmly believe that fair competition and steady growth will expand quality job opportunities for our members. However, unless this competition is based on a foundation of respect for fundamental labor rights and fair business practices the economic gains will be few and short lived, while the long-term job losses will be staggering.

We are proud to stand with a diverse group – including American and European airlines as well as elected officials across the political spectrum – in opposing NAI's application. Our respective governments have an obligation to live up to and enforce the explicit commitments to protect workers' rights and high labor standards that are embodied in the ATA. Anything short of an outright rejection of NAI's flag of convenience scheme will be unacceptable.

We are committed to working with our respective governments, and with our airlines, to build a transatlantic aviation industry that promotes middle class job growth and high labor standards, expands economic opportunity, and continues the prosperous aviation trade partnership between Europe and the United States.