

Air Transport Sector Profile

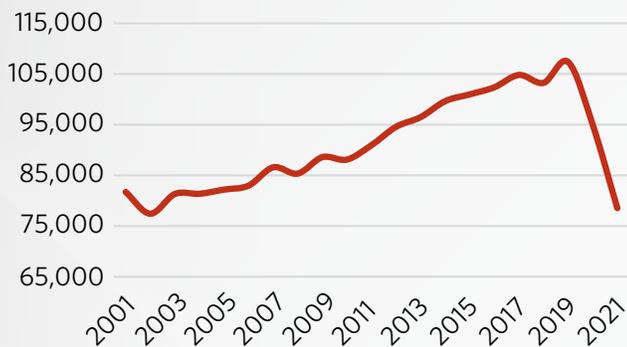
Sector Facts and Figures

Total GDP <i>Share of Canadian GDP</i>	\$1.8 billion 0.09%
Total Employment <i>Change since 2011</i>	78,600 -13.6%
Real wage growth (2011-2019)	+4.1%
Labour Productivity (2019)	\$67.4/hr
Average Work Hours/Week (2019)	34.5
Greenhouse Gas Emissions (2019) <i>Change since 2009</i> <i>Share of Canadian industry total</i>	23,575kt +58.2% 3.74%
Union Coverage Rate	52%
Unifor Members in the Industry	16,500
Share of Total Unifor Membership	5%
Number of Unifor Bargaining Units	45
Average Bargaining Unit Size	366

Current Conditions

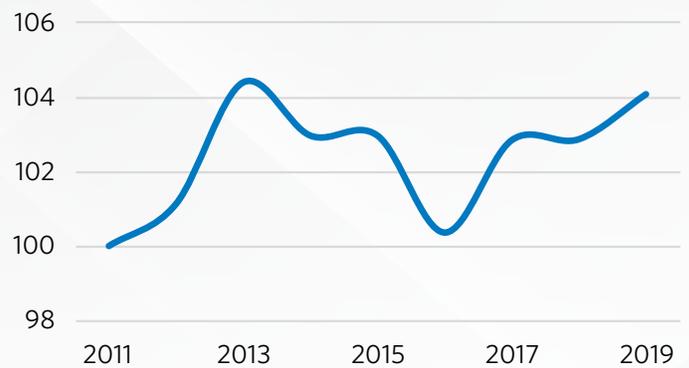
Before the pandemic, air transportation was a fast-growing industry, sustaining jobs for more than 100,000 people and creating new ones at an impressive clip. However, approximately 20% of the jobs in the industry were either lost or put on hold during the pandemic while workers and travellers waited out the travel restrictions. The recovery has been slow and steady, but a full recovery likely won't take place until 2024.

Air transport employment, 2001 - 2021



Employment wasn't the only indicator to suffer during the pandemic, as GDP fell dramatically to less than 20% of the 2019 level. Again, the industry is experiencing a rebound, but to some extent, the data shows that the rebound is happening in slow motion. Many of our locals report membership figures that are nearly back up to pre-pandemic levels, with better conditions on the horizon as the summer travel season approaches.

Air transport: Real wages (2011=100)



Workers in the industry continue to face multiple challenges, including fatigue and everchanging rules that further increase fatigue, increasing reliance on unpaid time, business models that rely on short-staffing, precarious work, contract flipping, new technology, low wages and constant turnover - to name just a few. In some sub-sectors of the industry, wages are rising fast, as companies discover they must improve wages and working conditions in order to attract workers. In other subsectors, our members are facing pressure to agree to concessions in bargaining as some airlines struggle to find their footing.

Airport and airline workers have faced significant erosion in the quality of their employment in the last decade leading many workers, particularly at airports, to take multiple jobs to make ends meet. Contract flipping is one of the most egregious practices that contributes to this high-turnover, low-wage environment. The federal government has made some changes to the law to improve the outcomes of contract flipping for workers, but more must be done.

For airline workers, the industry remains in flux as it remains to be seen how the recovery will shake out for industry incumbents and new entrants. Will low-cost airlines rule the day or will legacy airlines take back their market share?

In air traffic control and flight services, our members are facing technological changes and new business models that focus more attention on increasing margins and profits, as opposed to ensuring the people doing the work have the resources they need.

Unifor in the Air Transport Industry

Select Unifor Employers	Approx. # Members
Air Canada	4,700
NAV Canada	3,100
Jazz Air	2,100
Swissport	1,300
GTAA	1,250

Unifor represents more than 16,000 people working in the air transportation industry. Our members perform work in nearly every sub-sector of the industry, including air traffic controllers, flight service specialists, pilots, customer

service representatives, aircraft groomers, ramp attendants, airport staff, baggage handlers, aircraft maintenance personnel and more. About 5% of Unifor members are aviation workers performing duties from coast to coast to coast in 45 bargaining units for 26 employers.

Unifor’s air transportation members are employed in nearly every sub-sector of the air transportation industry including direct and indirect employment with airlines, employment with local airport authorities and with Canada’s air navigation system.

Moving Forward: Developing the Air Transport Industry

The air transportation industry is quite volatile and vulnerable to outside forces that can cause tremendous fluctuations in employment, sales, available capacity and GDP. The 9/11 attacks, the volcanic eruption in Iceland in 2010, SARS and now,

COVID-19, all caused substantial downturns in the industry. The prolonged restrictions on air travel during COVID-19 have resulted in the longest industry downturn in memory even while the economy overall experienced the shortest. Today, the industry is facing pent up demand and residual uncertainty of how that will play out.

Our members in the industry face a range of challenges. Some employers are running business models that rely on understaffing while others can't find enough workers to fill the jobs on offer. Both of these issues need to be addressed through bargaining and through public policy change including addressing fatigue rules, health and safety issues and employment quality.

Prior to the pandemic, the industry was facing the constant march toward further deregulation and privatization. As the industry recovers, it is imperative workers and their representatives continue to resist these efforts even as there are other urgent issues on the table.

Finally, technological change in the industry is expected to accelerate. Contactless check-in, security and boarding will transform the airport experience for both travellers and workers. Auto- and remote-piloting, remote air traffic management, new baggage handling systems, air taxis and AI in customer services are just a few technological advances being discussed and implemented in airports, airlines and traffic management organizations the world over.

Major Sector Development Issues

- Resist deregulation, privatization and concessionary bargaining demands that may come to the fore once the industry finds a new equilibrium.
- Address the inability of employers to attract workers to the industry through bargaining, including substantial wage increases in low-wage sub-sectors, benefits improvements and job stability.
- Continue the fight to end the worst effects of contract flipping by winning full successor rights for workers whose contracts have been flipped.
- Develop a comprehensive bargaining strategy to get the best and avoid the worst of technological change in the industry.