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## Strictly Private & Confidential

30th August 2018

Mr Hélder Amaral
President
Comissão de Economia, Inovação e Obras Públicas
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DIVISÃO DE APOIO ÀS COMISSÕES
Comissão de Economia, Inovação e Obras Públicas
CEIOP

N.º Único 612690
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By e-email only

Re: Ryanair / Parliamentary Committee on Economics, Innovation and Public Works

Dear sir,

I write with regard to your notification of the forthcoming session of the Parliamentary Committee on Economics, Innovation and Public Works.

Following the announcement in late 2017 of its decision to recognise trade unions, Ryanair has made considerable progress in this area. At time of writing, recognition agreements have been signed with both pilot and cabin-crew unions in both the UK and Italy (the two biggest markets, accounting for approx. 50% of Ryanair flight crew) and a recognition agreement with cabin crew has been signed in Germany. Elsewhere, negotiations will continue.

In Italy, on 14 August, Ryanair and ANPAC (the pilot union) signed a detailed agreement (with duration of more than three years) covering a comprehensive set of labour issues, including pay, taxation, productivity, pensions, rosters, expenses, sick absences and sick pay, annual leave, job sharing, social protection payments and benefits, maternity leave, paternity leave, parental leave, job-sharing, health insurance, accident insurance, and industrial relations procedures. The agreement concluded is explicitly described as being governed under Italian law and subject to the jurisdiction of Italian courts. It includes a timetable for migration to Italian contracts of employment. This agreement, signed by Ryanair and ANPAC, was recommended by ANPAC to its members in a ballot and accepted by overwhelming majority.

Similarly, following weeks of intensive mediation, Ryanair has just concluded an agreement with the Irish trade union Fórsa, representing pilots. This agreement covers seniority, base transfers, promotions and annual leave, and has been recommended by the union to its members in a ballot now taking place.

These developments demonstrate Ryanair's commitment not only to union recognition but to constructive engagement on the full range of substantive issues. Ryanair has written to unions in Portugal and other Member States, looking to advance negotiations, as has happened successfully in Italy and Ireland.

As is known from the experience of other airlines, union negotiations/disputes can be slow-moving and protracted, but there is no question of Ryanair's bona fides in entering into negotiations and in our conduct of the negotiations. This does not mean that there will not be areas of disagreement. Indeed, there will be; and Ryanair must protect the efficiency and flexibility of the low cost model that has been so productive in generating affordable connectivity, economic development and high-quality employment for European regions. It is, therefore, also necessary that unions approach the negotiations with Ryanair in a constructive and pragmatic manner.

In Portugal, negotiation with the pilots' union is advancing. A negotiation committee has been formed and documents have been exchanged. On the other hand, despite much effort on our part (including over 20 invitations to negotiation), we have not been able to make similar progress with the cabin crew union, even with the assistance of state mediation. SNPVAC is insisting that employees of competitor airlines attend negotiations with Ryanair. This breaches competition law and is not conducive to constructive industrial relations. The principle that we will negotiate only with our own employees and their professional trade union representatives is eminently reasonable and has been accepted in numerous other jurisdictions.

Unfortunately, Ryanair is unable to attend the forthcoming session of the Parliamentary Committee on Economics, Innovation and Public Works. As you will appreciate, our senior managers in the Human Resources team have enormous demands on their time in this period of intense engagement with trade unions across the many European countries in which Ryanair operates. Please convey our apologies to the Members of the Committee. In the event of a future Parliamentary event, we will be happy to revisit the possibility of our attendance, but have no such availability in the coming months.

I would like to conclude by drawing your attention to some of the latest statistics relating to Ryanair. In 2018, we will carry approx. 138m passengers throughout Europe at an average fare of less than €40. Ryanair operates in 37 countries, with 87 bases and over 200 airports served. The workforce includes people from every European Member State. As per established industry benchmarks (ACI, 2015), Ryanair's traffic supports >90,000 direct airport jobs and generates further economic activity and jobs in the regions served by the network, including numerous areas with low levels of economic development and high unemployment. Throughout its history of more than 30 years, Ryanair has demonstrated an exemplary safety record, and is one of the industry's leading technical innovators. Ryanair is an excellent employer, offering stability, promotional opportunities and attractive pay and benefits. For instance, our cabin crew earn up to €2,500 net per month for approx. 12 days of flying.

Yours sincerely,

Richard Reilly

General Manager - Portugal and Spain