



**ROYAL NORWEGIAN MINISTRY
OF TRANSPORT AND COMMUNICATIONS**

The Minister

Mr Siim Kallas
European Commission
200 Rue de la Loi
Berlaymont
BE-1049, Brussels
Belgium

Your ref

Our ref

Date

12/697-

15.01.2014

European airlines' long haul operations and recruitment from low cost countries

Dear Mr. Kallas

The opening of the European air transport market from the 1990s has contributed to a tremendous growth in air services offered within Europe and between Europe and the rest of the world. A vast number of European citizens have benefited from the development of low price tickets and many have been employed by airlines not existing 20 years ago. In order to survive the fierce competition with small margins on profit, it is necessary for all airlines to manage their costs in a more conscious and advanced way than ever before.

Low price services have historically been more important on short haul services than on long haul services. Due to general economic growth world-wide, development of aircraft meant for use on long haul flights and the opening of new markets through new bilateral and multilateral air transport agreements, intercontinental flights are becoming more important.

However, the possibility of swift long distance movements of labour, combined with the incentives referred to above, may constitute a new challenge for Europe and the European aviation industry.

Discrepancies between national legislation within EU/EEA may result in a non-level playing field, both on operations within the EU/EEA and on operations between EU/EEA and third countries. In addition differences in interpretation, application and enforcement of harmonised EU/EEA legislation may result in unequal conditions.

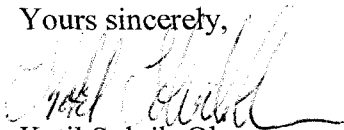
Fragmentation of operations between several countries, within and outside of the EU/EEA, makes collection of information burdensome for member states and complicates the establishment of a relevant jurisdiction.

The result of all these tendencies may be that genuinely innovative undertakings do not succeed.

In its Communication on EU's External Aviation Policy the Commission has already acknowledged that a balance has to be found in negotiations with partner countries between promotion of openness and liberalisation on one side, and labour standards on the other.

The Norwegian Government is currently carrying out a survey on these issues, and some of the findings from this not yet finished work are included in a memo enclosed to this letter. It contains a more elaborate explanation of problems that may arise and possible solution to some of the described weaknesses. I hope it can be of use.

Yours sincerely,



Ketil Solvik-Olsen

Copy: The Norwegian Mission to the EU
Norwegian Civil Aviation Authority

Enclosure