Question for written answer E-010773/2012 to the Commission Rule 117 Bendt Bendtsen (PPE)

Subject: Unfair competition in the air transport sector

Several European low-cost airlines have come under scrutiny for tax evasion owing to their recruitment methods, which include the practice of recruiting through temporary employment agencies registered abroad or in tax havens. The low-cost airlines make sure they keep these operations at arm's length, but this is still a harmful practice both for the individual agency worker and for the industry as a whole. Creative wage dumping makes it hard for honest airlines to compete. Furthermore, agency workers have no social security owing to the lack of any contributions paid by the airline.

It is therefore desirable that the air transport sector – which is by its very nature a cross-border industry – should be regulated by the EU so as to ensure fair competition on the market.

What will the Commission do to end unfair competition in the European airline sector?

Would the Commission be prepared to propose a model whereby transport licences can be withdrawn if the airline takes actions constituting a potential obstacle to free competition, such as being registered in tax havens?

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