



Brussels, 02-SEP-2025

Position Paper

European Parliament draft report on subcontracting chains and intermediaries (2025/2133(INI))

Background and context:

The European Parliament's draft report "*on addressing subcontracting chains and the role of intermediaries in order to protect workers' rights*" (2025/2133(INI)) responds to growing concerns about labour exploitation across Europe. It notes that in many high-risk sectors, a common factor behind exploitation is **the use of long, complex subcontracting chains and unregulated labour intermediaries**. Such chains allow unscrupulous employers to dodge responsibility for workers' rights. Currently, "labour intermediation" isn't clearly defined in EU law, and many intermediaries operate without registration or licensing – a loophole often abused to **circumvent labour laws and employer obligations**. In light of these challenges, the draft report calls for a coordinated European approach to crack down on abusive subcontracting practices and protect vulnerable workers.

Precarious employment in civil aviation: Why it matters?

Civil aviation (especially cabin crew) is a sector where these problems resonate strongly. In recent years, rising competition (particularly from low-cost carriers) has driven a **spread of atypical forms of employment** in airlines (eurecca.eu). Once uncommon, practices like hiring cabin crew via third-party agencies, outsourcing crew through subcontractors, or even treating crew as "self-employed" contractors have become widespread – affecting not just budget airlines but even some traditional carriers.

Such **intermediary-based hiring schemes** (including employment via temporary work agencies or complex contractor arrangements) often result in **precarious conditions for cabin crew**. For example, some airlines have engaged cabin crew through third-party intermediaries or forced them into nominal self-employment ("bogus" contracts), which undermines job security and clarity of rights (eurecca.eu). Low-cost carriers are noted as the heaviest users of these atypical arrangements, and the impact on crew has been negative: **lower wages, weaker social protections, and greater job insecurity**, as well as **legal uncertainty** about who the actual employer is and which country's labour law applies (eurecca.eu). This patchwork of arrangements also **distorts fair competition** – airlines exploiting regulatory gaps can cut costs unfairly, a form of social dumping that pressures all operators (eurecca.eu). Cabin crew themselves may struggle to identify their employer or enforce their rights when employment is outsourced through layers of agencies (eurecca.eu).

In short, **the issues highlighted by the EP draft report are highly relevant to aviation**. Abusive subcontracting and unregulated intermediaries have enabled airlines to sidestep labour standards, leaving many cabin crew in atypical form of employment and insecure jobs. The EP's findings and recommendations, summarized below, directly address these concerns and point to potential solutions for protecting aircrew rights.



Recommendations from the EP draft report:

The draft report puts forward a series of recommendations to tackle labour exploitation via subcontracting and intermediaries. The most pertinent measures – and their significance for the aviation sector – include:

- **European strategy against exploitation:** Parliament calls for a **comprehensive EU strategy to fight against labour exploitation**, with particular focus on abusive subcontracting and labour intermediation. This top-level strategy would ensure all Member States coordinate efforts, signalling that practices like those seen in aviation (e.g. outsourcing cabin crew to low-cost agencies) are an EU-wide concern requiring unified action.
- **Clarifying legal authority for Member States:** The report urges the European Commission to **clarify that nothing in EU law prevents Member States from regulating long subcontracting chains**, *including requiring direct employment relationships in high-risk sectors* where evidence justifies it. This is crucial for aviation: it means a country can insist that airlines directly employ their cabin crew (instead of outsourcing to agencies) if subcontracting is leading to abuse. The report is essentially empowering governments to act decisively in sectors like civil aviation if indirect hiring is being used to exploit workers.
- **EU framework Directive and joint liability:** MEPs reiterate their call for a new **European framework Directive to curb abusive subcontracting and intermediation**. Such a law would set a general framework limiting excessive subcontracting and would introduce **“joint and several liability” throughout the subcontracting chain**. Joint liability means that the top contractor (e.g. the airline in our case) could be held legally responsible for labour rights violations committed by any subcontractor or agency down the chain. For airlines, this would close the loophole of outsourcing blame – if a staffing agency underpays or mistreats cabin crew, the airline could be liable, strongly discouraging carriers from using exploitative third parties. The proposed Directive would also **regulate the role and responsibilities of labour intermediaries** (beyond existing temp agency rules), ensuring any company supplying workers meets certain standards of accountability.
- **Limiting subcontracting chain length:** To prevent abuse, the report proposes a **cap on subcontracting to a maximum of two tiers below the main contractor in high-risk sectors**. In practice, this would stop the creation of long labour supply chains. In aviation, this could translate to an airline only being able to subcontract cabin crew through, at most, one additional layer (for example, one agency) – eliminating multi-layered outsourcing setups. Simplifying the chain makes it easier to hold the real employer accountable and for workers to know who employs them. Member States, in cooperation with unions and employers, would identify which sectors are “high-risk” and could allow exceptions only with strong justification. Given the evidence of crew exploitation, EurECCA and its affiliates argue that civil aviation should be deemed high-risk, thus covered by this rule.
- **Equal treatment and direct employment:** The Parliament warns that over-reliance on subcontracting for core business tasks can fragment workplaces and often leads to **longer hours, lower pay, and job insecurity for workers**. In response, it calls for **“equal treatment for equal work”** – meaning subcontracted or agency workers should receive the same pay and conditions as direct employees – and urges promotion of **direct employment** in sectors prone to such risks. For cabin crew, this principle is very relevant: if enforced, airlines would have to ensure that a crew member hired through an agency or on a temporary contract is not



given worse pay or working conditions than a directly employed crew member doing the same job. This removes the cost incentive for airlines to use third-party contractors and encourages them to hire crew onto direct contracts whenever possible.

- **Regulating labour intermediaries:** The draft report stresses the need to **better regulate labour market intermediaries**. It calls on the Commission to ensure all intermediaries operating in the EU are **subject to registration or licensing schemes**, and to **prohibit them from charging any fees or costs to workers**, in line with International Labour Organization Convention No. 181 on private employment agencies. This is highly significant for aviation: it would mean companies that recruit or supply cabin crew must be officially licensed and cannot make profit by deducting costs from workers' wages or charging for things like training, uniforms, or recruitment fees. (Notably, some cabin crew hired via agencies have had to pay for their own uniform or other expenses as a condition of employment – practices that would be banned under these rules.) Enforcing licensing and a **“no worker fees” rule** will help flush out fly-by-night crew agencies and ensure only legitimate, accountable intermediaries operate, levelling the playing field for fair employers.
- **Strengthening enforcement and cross-border cooperation:** Recognizing that rules mean little without enforcement, the EP calls for **efficient, well-resourced enforcement mechanisms**. It specifically urges bolstering the European Labour Authority (ELA) to coordinate cross-border cases and help crack down on abuses that span multiple countries. It also asks the Commission to require Member States to beef up their own labour inspectorates for all high-risk sectors (with a recommended benchmark of at least 1 inspector per 10,000 workers). For the aviation sector – where operations are inherently transnational (e.g. an airline based in country A employing crew from country B to work on routes in country C) – these steps are critical. A stronger ELA with an expanded mandate to aviation could facilitate cooperation between national authorities when airlines base themselves in low-regulation jurisdictions or shuttle workers across borders to evade oversight. More inspectors and coordinated checks would increase the likelihood that **violations in airlines' labour practices are detected and addressed**, no matter where they occur. EurECCA itself has already called for exactly this kind of cross-border enforcement effort, noting that better cooperation between civil aviation authorities and labour inspectorates across Member States is needed to tackle complex cases of non-compliance (eurecca.eu).
- **Sanctions and social responsibility:** To deter wrongdoing, the report advocates tougher sanctions on exploitative employers. It notes that individuals or firms banned in one Member State often **reappear in another country under a new guise**, and therefore urges **automatic EU-wide recognition of bans/prohibitions** on operating businesses for those caught exploiting workers. This means if a deceptive crew agency is shut down for abuses in one country, it couldn't simply set up shop in another. Additionally, EurECCA welcomes the use of **“social conditionality”** in public funding – tying access to EU funds or contracts to respect for labour standards. For aviation, this could imply that airlines seeking EU support (for example, recovery funding or public service contracts) must show clean labour practices. Together, these measures would raise the stakes for companies: the cost of labour exploitation would not just result in bad reputation, but real exclusion from markets and funding.



EurECCA key policy priorities:

For EurECCA, the draft report's recommendations provide both **leverage and a policy roadmap** to address atypical forms of employment in aviation. For these reasons, EurECCA addresses the following key policy priorities:

- **Civil aviation as a priority sector**
EurECCA calls on the European institutions to explicitly recognize civil aviation as a high-risk sector for labour exploitation under subcontracting chains. Cabin crew and pilots must be fully included in any EU-wide strategy to fight labour abuse. Evidence of widespread agency work, bogus self-employment and social dumping practices in airlines demonstrates the urgent need to treat aviation as a priority sector for regulation and enforcement.
- **A new EU framework law with aviation-specific provisions**
EurECCA strongly supports the introduction of a European framework Directive limiting abusive subcontracting and establishing joint and several liability. This legislation must explicitly cover the aviation sector, ensuring that airlines remain responsible for the working conditions of crew employed via intermediaries.
- **National reforms without delay**
The parliamentary draft report has clarified that Member States are not prevented by EU law from restricting subcontracting or requiring direct employment in high-risk sectors. EurECCA therefore urges national governments to take immediate action in aviation. This includes prohibiting the outsourcing of cabin crew to unregulated agencies and introducing national liability rules to hold airlines accountable for subcontractors' practices.
- **Direct employment and equal treatment**
EurECCA reaffirms its demand for direct employment as the standard in aviation. At a minimum, airlines must guarantee equal pay and conditions for equal work, regardless of the way crew is employed. European policymakers' support for this principle provides strong backing for collective bargaining and public advocacy to eliminate zero-hour contracts, pay-to-fly schemes, and bogus self-employment in the sector.
- **Licensing and oversight of crew agencies**
All intermediaries recruiting or supplying cabin crew should be subject to strict licensing and oversight. No crew member should bear recruitment-related costs, such as training, uniforms, or fees. Full payment of crew members should start with the beginning of their training. EurECCA will advocate for swift implementation of licensing systems at EU and national level, and will encourage the creation of whistleblowing channels to expose unlawful practices by crew agencies.
- **Stronger cooperation with the European Labour Authority (ELA)**
EurECCA calls for reinforced cooperation between labour inspectorates, civil aviation authorities and the European Labour Authority. Joint inspection campaigns must be prioritised to tackle cross-border abuses in aviation, such as airlines based in one Member State employing crew under weaker regimes in another. EurECCA stands ready to provide expertise and data to support the ELA in making aviation a priority sector for enforcement.
- **Linking public funding to fair labour practices**
No airline engaging in exploitative employment practices should benefit from public funds or EU support programmes. EurECCA demands that access be made conditional on full respect of European labour and social standards.



In summary, the European Parliament's draft report on subcontracting and intermediaries marks a significant step toward curbing labour exploitation in Europe's workplaces. For the civil aviation sector, its recommendations – from joint liability for airlines to stricter control of crew agencies and a push for direct employment – could directly address the **precarious work patterns undermining cabin crew rights**. By seizing the opportunities in this report and working to implement its recommendations, EurECCA will ensure that **decent work and fair competition take flight in European skies**, leaving no room for exploitation in the subcontracting chain.

**EurECCA represents, protects and develops the rights
and needs of all cabin crew all over Europe.**

FLYING TOGETHER – PROTECTING EACH OTHER

About EurECCA: established in Brussels in 2014, the European Cabin Crew Association, EurECCA, represents, protects and develops the rights and needs of cabin crew all over Europe. It is composed of cabin crew unions from European Union Member States as well as accession and bordering states and represents well above 50,000 cabin crew in Europe. EurECCA has no political connections. EurECCA's work is around Cabin Crew working conditions, wages, social protection and health and safety at work.

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