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Agreement between SAS and Transport without National Agreement

SAS has today reached agreement with the Swedish Transport Workers' Union, after the union had given notice of industrial action on October 11. The agreement will result in increased personnel costs that will reduce SAS' competitive possibilities in the areas of baggage handling, ramp services and technical maintenance.

SAS Group CEO Jörgen Lindegaard made the following comment:

"We have succeeded in signing a new collective agreement with 38 out of 39 trade unions to adapt SAS' cost structure to external conditions. On behalf of SAS employees, I regret that we did not succeed in achieving such an agreement with the Transport Workers' Union."

SAS Group management is now conducting a review of the operations included in the new agreement with the Transport Workers' Union. The consequences of the new agreement could mean the termination or divestment of certain operations within this area.

In its negotiations with the Transport Workers' Union, SAS submitted a proposal for a transition to the National Agreement for Civil Aviation. This industry agreement applies to other airlines and ground handling companies that are members of the Swedish Air Transport Employers Association.

SAS offered interim rules for a transition to the National Agreement that included work hours and compensation for unsociable hours. SAS management has established that there was no willingness on the part of the Transport Workers' Union to permit a transition to the National Agreement that would have resulted in the same conditions for SAS as other companies have within the Transport Workers' Union's area of agreement.

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