

UK handlers call on government for earlier 'furlough flexibility'

In the face of significant financial difficulties, three major ground handlers have united to lobby the UK government for support.

Swissport, WFS and Dnata are urging Whitehall to allow greater flexibility in its furlough scheme. The UK has extended its Job Retention Scheme until October, and from August, staff will be able to be part-furloughed and work part-time but the handlers have called for this change to be brought forward to June, claiming it would provide them with “crucial flexibility”.

“We strongly welcome the Chancellor’s decision to extend the Job Retention Scheme to October, avoiding the immediate ‘cliff edge’ end that was approaching in May,” said CEOs Jason Holt of Swissport Western Europe, Craig Smyth of WFS and Gary Morgan of Dnata UK.

“However, we would welcome further clarity around the changes planned for the scheme in August, which have the potential to create another breaking point for our industry, as we face an environment marked by fragile and unpredictable demand. This risk is worsened by the uncertainty around the proposed 14-day quarantine period, which might impact the desire of airlines to return to the skies.”

“We are asking that furlough flexibility is brought forward and the three-week minimum furlough period removed. Allowing staff to be part-time furloughed and part-time re-engaged in paid work would provide crucial flexibility during this difficult period, helping to sustain employment and reduce costs for the government in the long-term.”

The mooted 14-day quarantine period, which is expected to be introduced at the end of this month for all international travellers arriving into the UK – except from France – has been variously derided by aviation bosses as “ridiculous”, “nonsense” and “unenforceable”. The aviation industry claims it poses a serious threat to the economy, while business lobby group the CBI has urged the government to “think very carefully”.

In March, the three companies were joined by Menzies to warn the government of their “imminent collapse”.

Handlers have been significantly affected by coronavirus but have had less access to support than the more visible airline industry. Swissport is said to have furloughed some 50,000 of its 65,000-strong workforce. Menzies said it would cut 17,500 jobs temporarily, while Dnata said its cuts were “significant”.

As always Raycole Global Logistics will do all we can to assist you and keep you updated on any further news.

Many thanks,
Raycole Team