

April 1, 2014

The Honorable Anthony Foxx Secretary U.S. Department of Transportation 1200 New Jersey Avenue, S.E. Washington, DC 20590

Dear Secretary Foxx:

On behalf of the undersigned affiliated unions of the Transportation Trades Department, AFL-CIO (TTD) we urge you to reject Norwegian Air International's (NAI) application for a foreign air carrier permit that is now pending before the U.S. Department of Transportation (DOT). TTD and its aviation unions have already submitted extensive arguments on why NAI's application is contrary to our nation's international obligations, inconsistent with U.S. law, and would allow NAI to gain an unfair advantage over U.S. carriers and their employees.

We add our voice to this debate for several reasons. We believe that if the U.S. DOT approves this flag of convenience scheme, it will set a precedent for other foreign air carriers to exploit and follow. NAI is promoting a business model that has become all too familiar to the U.S. labor movement: undercut the competition by scouring the globe for cheap labor, diminished collective bargaining rights and weak regulations. The airline has registered in Ireland, even though it will not service Irish airports, and has chosen this path to avoid Norway's labor and tax laws. It will contract – or more accurately "rent" – much of its flight crew from Thailand using a recruitment firm based in Singapore. In doing so, NAI will be able to undercut U.S. airlines and their employees by as much as 50 percent.

Finally, as TTD and its aviation affiliates have demonstrated, the NAI scheme would violate the U.S.-EU Open Skies Agreement which expressly bars this sort of business model through adoption of a labor article – embodied in Article 17 bis of the agreement – that embraces "high labor standards." We urge you to uphold the spirit and intent of this important labor provision when implementing the Open Skies Agreement, and reject NAI's application.

As the representatives of unions that represent workers in several sectors of our economy we have seen first-hand the effects of un-checked globalization on the American workforce. Too often, poorly conceived and badly enforced free trade agreements have led to the offshoring of U.S. jobs. That is why U.S. industries that previously formed the backbone of our economy have seen dramatic job losses that have coincided with the erosion of the middle class. We cannot allow a similar fate to befall the U.S. aviation industry and lose a creator of middle-class jobs and a pillar of our inter-connected transportation system.

## **Transportation Trades Department, AFL-CIO**

We stand unified with U.S. and European airline unions in steadfastly opposing the NAI application. Thank you for your consideration of our views.

Sincerely,

John Thacker

Conference President

National Conference of Firemen

Vardelletti

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and Oilers, SEIU

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International Organization of Masters,

Robert Scardelletti

National President

Transportation Communications

Union/ IAM

President

Gunnar Lundeberg

**Donald Marcus** 

Mates & Pilots, ILA

President

Sailors' Union of the Pacific

Tim Barnes

Legislative Representative

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F.L. McCann

President

American Train Dispatchers Association

PMC Com

Dan Pickett

President

Brotherhood of Railroad Signalmen

W. D. Pukett

Paul Rinaldi

President

National Air Traffic Controllers Association

Sito Pantoja

General Vice President

International Association of Machinists

and Aerospace Workers

Terence O'Sullivan

President

Laborers' International Union of North

June m. o'Sulling

America



Lee Saunders
President
American Federation of State, County and
Municipal Employees



Michael Perrone National President Professional Aviation Safety Specialists

More Jalos Rocco DeRollo

Assistant to the Director of ISO International Representative International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers Marshall Ainley President

Marine Engineers' Beneficial Association

Lorretta Johnson Secretary-Treasurer

American Federation of Teachers

J. David Cox President

American Federation of Government

J David GSL

**Employees** 

Tony Ianonne

Director of Railroad and Shipyard Workers Sheet Metal, Air, Rail and Transportation Workers Fredric Rolando

National President

National Association of Letter Carriers

Michael Goodwin

President

Office and Professional Employees

International Union

John Previsich President

**SMART** - Transportation Division

Edwin D. Hill President

International Brotherhood of Electrical

Workers

Larry Cohen President

Communications Workers of America