



# NEWS RELEASE

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## **Transportation Labor Tells Bush Administration: Scrap Plan Allowing Foreign Control of U.S. Airlines *Jobs and National Security at Risk***

**Washington, D.C.** – AFL-CIO transportation unions today called on the Bush administration to withdraw its flawed and controversial proposal allowing foreign interests to control U.S. airlines. Citing economic and national security concerns and clear contradiction to existing law, Edward Wytkind, President of the AFL-CIO's Transportation Trades Department, AFL-CIO (TTD), made the call in regulatory comments filed today with the U.S. Department of Transportation.

Bowing to European Union (EU) demands, the Bush administration proposed sweeping changes in foreign control regulations in November 2005, paving the way to an agreement with the EU on a new aviation services pact. The Administration's unilateral attempt to change limits on foreign control that have been in place for decades has prompted an aggressive bipartisan call from Capitol Hill to withdraw this proposal. To date, more than 100 Senators and House Members have criticized the Bush plan and endorsed legislation that would prevent the rule from being finalized for at least a year.

"Clearly, the White House is attempting to circumvent the role of Congress," Wytkind declared. "It is obvious that the Administration is so driven to placate the EU that it is willing to embrace a badly flawed change in aviation policy and snub lawmakers on both sides of the aisle in the process."

Wytkind said the proposed changes would harm national security, as foreign executives would be too close to U.S. carrier decisions on security and could influence decisions regarding participation in the Civil Reserve Air Fleet program, which provides for reliable and timely transports of U.S. troops and equipment in times of war. For American workers, collective bargaining gains would be jeopardized as airlines would seek out the lowest wage and benefit workforce to fill critical positions. He contended it would accelerate the growing trend of U.S. airlines sending critical aircraft maintenance to poorly supervised overseas repair facilities. Some U.S. airlines have already begun to explore contracting out flight attendant positions to workers overseas.

In his submission, Wytkind argued that the Administration has not made the case for why these longstanding laws should be changed. He rebuffed the contention that the proposal would provide better access to capital, saying that airlines with "workable business plans" have had no difficulties in attracting investment. Moreover, Wytkind said that giving foreign interests control over marketing, the types of aircraft used, and fare-setting would run "directly counter" to existing law, most recently reaffirmed by Congress in 2003.

A House subcommittee is expected to hold a hearing on the issue in early February.

Click [here](#) for a copy of the TTD statement.

*TTD represents 29 member unions in the aviation, rail, transit, trucking, highway, longshore, maritime and related industries. For more information, visit [www.ttd.org](http://www.ttd.org).*

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