



*A bold voice for transportation workers*

## **PROTECTING U.S. AVIATION WORKERS IN INTERNATIONAL AVIATION AGREEMENTS**

As the United States seeks to enter into new and expanded international aviation agreements with our trading partners, it must be ensured that these agreements are balanced, legitimately promote U.S. aviation, and protect the interests and jobs of U.S. aviation workers. While we support efforts to create additional international opportunities for U.S. carriers, these opportunities cannot come at the expense of U.S. airline jobs, collective bargaining rights, and safety and security standards that are so important to our aviation system.

Among the primary statutory protections designed to ensure a strong U.S. airline industry are rules that limit foreign ownership and control of U.S. air carriers and prohibit foreign carriers from engaging in cabotage, or the carriage of U.S. domestic traffic. These limitations have served the U.S. aviation system well and have protected U.S. workers from unfair competition that has decimated workforces in many other industries in America – from steel and aerospace to auto manufacturing.

Not surprisingly, foreign entities and their U.S. fronts have lobbied for years to change these rules, exploit the lucrative U.S. market, and siphon work to lower-cost foreign operations. In fact, the European Union (EU), during negotiations over a new air service agreement used bully tactics to insist that the U.S. abolish these rules as a condition for a new agreement. During an early stage of the talks the Bush Administration actually proposed to allow EU entities to control U.S. carriers in an effort to placate the EU and secure an agreement. After Congress blocked these illegal changes on a bipartisan basis, the Bush Administration backed down and withdrew the proposal.

We are pleased that in the current round of talks with the EU, the Obama Administration has made no commitment to change U.S. ownership, control or cabotage rules. But we are troubled that these issues are still being negotiated. While there appears to be little congressional support to change these laws, we are opposed to a U.S.-EU aviation relationship that incentivizes relaxing America's longstanding policies at the expense of the U.S. aviation industry and its workers. More importantly, we know that the EU will push for further changes to this proposal and is still asking the U.S. to eliminate restrictions on ownership and control. The Obama Administration must categorically reject these efforts. We also urge the Obama Administration to clearly state its opposition to relaxing our foreign ownership and control rules, not only in the context of U.S.-EU talks but as the U.S. prepares for open skies talks with China later this year.

We do appreciate the new Administration's recognition that there are legitimate worker and labor concerns with this agreement that should be addressed and fully understood before a final deal is complete. We do note that there is an initial commitment by the U.S. and the EU to conduct a regular review of the labor issues coming out of the agreement and a process for the parties to resolve these issues where possible. We are also pleased that the U.S. has proposed the

**Transportation Trades Department, AFL-CIO**

888 16th Street NW / Suite 650 / Washington DC 20006

Tel:202.628.9262 / Fax:202.628.0391 / [www.ttd.org](http://www.ttd.org)

Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer



inclusion of a labor article in the agreement that will commit the parties to uphold high labor standards as the agreement is implemented and cross-border flight and transactions dramatically increase. For us, high labor standards mean, among other things, the best and most rigorous standards that exceed international labor standards reflected by International Labor Organization Conventions and accompanying jurisprudence, explicitly referencing freedom of association, collective bargaining, discrimination, forced or prison labor, child labor, and safety and health. As the U.S. prepares to begin open skies talks with China later this year, this proposal must be improved and become part of the U.S. negotiating position from the beginning. China has a long and shameful record on labor, human rights, and trade issues that must be accounted for if our aviation relationship with this country is to be expanded.

At TTD's 2009 fall meeting, the Executive Committee adopted a comprehensive statement on the growing trend of so-called joint ventures between U.S. and foreign carriers whereby the foreign carrier may perform most, if not all, of the actual flying. Such agreements will only serve to threaten job opportunities for both flight crews and ground employees and cannot be permitted to go unchecked by U.S. regulators. We have offered a legislative response to these arrangements that would require U.S. carriers to engage in a reasonable percentage of flying in any joint venture. We urge the Administration not to enter into additional international air service agreements or approve joint ventures coming out of current agreements until these concerns with joint ventures are addressed either through legislation or regulation.

We also reiterate our call for the U.S. government to change the way it certifies and oversees foreign aircraft repair stations working on U.S. commercial aircraft. As we have long argued, these stations can and do get certified by our Federal Aviation Administration without having to meet the same safety and security standards in place for domestic stations working on the same aircraft. This double standard is unacceptable. If the U.S. is going to continue to seek out expanded international aviation opportunities it must ensure that the growing safety problems that stem from an epidemic in aircraft maintenance outsourcing are finally addressed.

Globalization of our aviation system is posing new challenges for our government and Congress. As the U.S. pursues market-opening agreements with our trading partners it must do so without threatening the jobs and weakening the collective bargaining rights of aviation workers in this country. This is exactly what is happening today. Major air carriers are pursuing joint ventures that by design evade American workers and their collective bargaining protections, outsource aircraft maintenance and other work indiscriminately and advocate for new open skies agreements with little regard for what these deals will mean for the men and women working in this industry. This must stop. We call on the Obama Administration to enter into a new era of opening aviation markets while protecting the jobs and rights of workers here in America and refusing to enter into any new agreements that fail to meet this basic but essential test.

**Policy Statement No. W10-05**  
Adopted February 28, 2010