

TTD NEWS RELEASE

FOR IMMEDIATE RELEASE
December 10, 2014

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“Cromnibus” Includes Important Provision Ensuring U.S. Rejects Flag of Convenience Airlines

WASHINGTON, D.C.—TTD President Edward Wytkind issued the following statement today about the proposed government funding bill:

“Norwegian Air International’s (NAI) attempt to introduce a job-killing ‘flag of convenience’ model in the U.S. aviation market suffered another blow today. Despite lobbying efforts by NAI, Congress included language in the proposed FY 2015 spending bill that ensures that applications from foreign air carriers seeking to provide service under the U.S.-EU Open Skies Agreement can only be approved if they are in full accordance with U.S. law and Article 17 *bis* of the Agreement. With this language, based on a provision adopted by the full House and supported by key Senate leaders of both parties, Congress is affirming a bipartisan view that no foreign air carrier permits may be granted that violate the terms of Open Skies agreements, including the crucial labor protection provision in the U.S.-EU pact.

“With the foreign air carrier permit application of NAI pending before the Department of Transportation (DOT), this language is especially timely and crucial. NAI plans to base its operation in Ireland despite no set plans to fly in or out of that country, and to hire workers based in Bangkok through a Singaporean hiring agency, all to avoid Norway’s strong labor protections, tax laws, and regulations. The airline has argued that Article 17 *bis* cannot be used by DOT to deny its application. While the record developed in the DOT proceeding soundly rejects this position, it should be clear, even to NAI, that its application cannot now be approved if it violates Article 17 *bis*. This is a requirement the carrier cannot evade.

“Transatlantic aviation trade agreements play an important role in expanding service and enabling robust competition and job creation within the airline industry. But we should reject attempts by airlines such as NAI to game our trade agreements and gain an unfair advantage over U.S. airlines that play by the rules. The language included in Congress’s funding package sends a clear signal that NAI’s flag of convenience business plan will not and should not fly.”

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The Transportation Trades Department, AFL-CIO, represents 32 member unions in the aviation, rail, transit, motor carrier, highway, longshore, maritime and related industries. For more information, visit us at www.ttd.org or on [Facebook](#) and [Twitter](#).

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