

TTD NEWS RELEASE

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U.S. DOT Order on Norwegian Air Case, Unless Reversed, Threatens Thousands of U.S. Airline Jobs

WASHINGTON, DC — Edward Wytkind, president of the Transportation Trades Department, AFL-CIO (TTD), issues this statement in response to the U.S. Department of Transportation's ill-advised order regarding Norwegian Air International's application for a foreign air carrier permit:

"We are strongly opposed to today's show cause order issued by the U.S. Department of Transportation that could pave the way for Norwegian Air International (NAI) to launch a job-killing flag-of-convenience airline that perverts the transatlantic airline market and violates our nation's aviation trade agreement with the European Union (EU).

"The facts surrounding the NAI case could not be clearer. NAI, a subsidiary of Norway-based Norwegian Air Shuttle, was incorporated in Ireland with a single goal in mind: avoid Norway's regulatory and employment laws to gain an unfair disadvantage over air carriers on both sides of the Atlantic that play by the rules as designed. NAI's plan has been to use Bangkok-based flight crews employed under Singaporean individual employment contracts, evade collective bargaining obligations in Norway and unfairly undercut wages and labor standards while still reaping the benefits of the U.S.-EU Air Transport Agreement.

"It is for these reasons that a bipartisan Congress has spoken loudly against the NAI application and why a coalition of European and U.S. airlines has opposed this application for more than two years.

"Worst of all, approval of the NAI application would be a betrayal by this Administration of the explicit labor protections – embodied in Article 17 *bis* of the U.S.-EU deal – that bar new air services under the agreement that 'undermine labor standards or the labor-related rights and principles contained in the Parties' respective laws.' If NAI is allowed to fly, our government will be saying to U.S. airline employees that the labor protections negotiated into aviation trade agreements are worthless and will be disregarded and cast aside when jobs and labor rights are actually threatened.

"It doesn't take much creativity to conclude that when an airline company like NAI scours the globe for the cheapest labor it can find, evades the social and employment laws of its own country, and uses a rogue business model in violation of our trade agreements and laws, our government should not reward that airline with new rights to seize our markets, compete unfairly with our air carriers and kill our members' jobs.

"This is a legacy issue. We will be urging President Obama and Secretary Foxx to reverse course and reject the NAI application. A new era of low-wage, flag-of-convenience airlines should not be launched on this Administration's watch."

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The Transportation Trades Department, AFL-CIO, provides a bold voice for workers in every mode of transportation devoted to protecting middle-class jobs, expanding collective bargaining, and ensuring modern, safe, and secure transportation operations and infrastructure. For more information, visit us at www.ttd.org.