March 7, 2017

Senate Majority Leader Mitch McConnell
United States Senate
S-230 Capitol Building
Washington, DC 20515

Speaker of the House Paul Ryan
United States House of Representatives
H-232 Capitol Building
Washington, DC 20510

Senator Minority Leader Charles E. Schumer
United States Senate
S-221, Capitol Building
Washington, DC 20015

House Minority Leader Nancy Pelosi
United States House of Representatives
H-204 Capitol Building
Washington, DC 20510

Dear Leader McConnell, Speaker Ryan, Leader Schumer and Leader Pelosi;

As the presidents of the Association of Flight Attendants-CWA, representing thousands of aviation's first responders at Hawaiian and Alaska Airlines, we urge you to protect and promote a strong and vital U.S. aviation industry by encouraging the Administration to enforce or take legislative action to uphold the spirit of existing Open Skies Agreements.

The U.S. has negotiated 120 Open Skies agreements with the intention of providing "increased travel and trade, enhancing productivity, and spurring high-quality job opportunities and economic growth."¹ The majority of Air Transport Agreements have provided growth opportunities for U.S. airlines and economic benefit to the U.S. economy. However, to meet the intended purpose, our government must enforce these agreements.

The CEO's at Alaska and Hawaiian Airlines have been vocal proponents of Open Skies Agreements and the opportunities they provide. However, their perspective on the enforcement of all of the provisions of these agreements may be skewed by the fact that foreign carriers in violation of our Open Skies Agreements have not flooded the Pacific Rim markets. Once they do, Hawaiian will lose substantial market share to this unfair competition. Alaska will never have any incentive to pursue long range international flying, preferring instead to remain a feeder carrier for the dominant foreign airlines at the expense of their employees.

This is a terrible trajectory for consumer choice and a devastating course for U.S. jobs. As union leaders we know the position the airlines are taking does not reflect the views of their employees. The employees agree with the Partnership for Open and Fair Skies, and believe that our Open Skies partners need to honor their commitment to fair competition and respect the articles in the Agreements.

Multiple Open Skies violations are already occurring. Middle Eastern governments have provided $50 billion in subsidies to their national carriers Etihad, Emirates and Qatar Airways. These subsidies are prohibited under Open Skies and greatly distort competition, in turn providing an unfair advantage for the Gulf carriers in their unprecedented global growth. If it were not for these subsidies the Middle Eastern carriers would not be commercially viable.

¹ “U.S. Department of State. Diplomacy in Action”, https://www.state.gov/e/eb/tra/ata/, (February 21, 2017)
Additionally, the Gulf carriers are expanding 5th Freedom Rights—flights that originate in the Gulf, stop in Europe pick up additional passengers and fly them to the U.S. The 5th Freedom Air Rights essentially allow Middle East carriers the right to fly between Europe and the U.S. It's just a matter of time before these subsidized giants start flooding the Pacific market.

Another example of an Open Skies violation is the Obama Administration's decision to grant Norwegian Air International (NAI) a foreign air carrier permit. NAI violated article 17 bis of the EU/US Opens Skies Agreement by setting up an Irish subsidiary in order to capitalize on Ireland's less restrictive labor laws. Article 17 bis states, "[t]he opportunities created by the Agreement are not intended to undermine labour standards or the labour-related rights and principles contained in the Parties' respective laws." NAI's deliberate effort to undermine Norway's strong labor protections not only violates the agreement, it sets in motion a downward spiral for U.S. Aviation and 300,000 U.S. jobs.

Norwegian has, for the time being, successfully introduced a "flag of convenience" business model into the aviation sector. It permits airlines to establish operations in countries with the lowest labor standards, the direct opposite of the stated purpose of these trade agreements. Other European airlines, including SAS and Air France are already changing their business to duplicate NAI. This business model was responsible for the destruction of the U.S. flagged shipping industry, and the pace of competition forecast a much faster destruction of U.S. Aviation if not stopped.

The failed enforcement of these Open Skies Agreements has put 300,000 U.S. aviation jobs at risk. And make no mistake - this is just the first wave of foreign owned corporations entering the U.S. workplace in an effort to undermine U.S. wages and job protections. If we do not act swiftly we will be witness to a radical shift in the aviation industry where foreign corporations dominate the U.S. marketplace, but keep their money oversees and out of the hands of American workers.

It is our responsibility to protect the U.S. aviation industry and U.S. workers from the same fate as the maritime industry. American skies subject to American safety and crew training standards are in the best interest of our passengers, our industry, and our workers. We must act now.

Sincerely,

Jeffery Peterson
AFA MEC President – Alaska Airlines

Sharon Soper
AFA MEC President – Hawaiian Airlines

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2 "Protocol to Amend the Air Transport Agreement Between the United States of America and the European Community and Its Member States" [https://www.state.gov/documents/organization/143930.pdf](https://www.state.gov/documents/organization/143930.pdf), (April 25 and 30, 2007)