

# MERGER



# WATCH

# March 10, 2008

Volume 1, Issue 4

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## **AFL-CIO's Airline Merger Statement**

The Executive Council of the AFL-CIO adopted the following statement regarding airline mergers:

### **Defending Against Airline Mergers that Harm Workers, Passengers and Communities**

Congress and our Government must protect the public interest as the major airlines threaten to launch another era of mergers and consolidations. Transportation labor is deeply concerned that a new wave of mergers could cascade into a massive restructuring that harms workers, passengers and the air transportation needs of communities across the nation.

While news accounts have focused on the possibility of specific carrier combinations, the reality is that there are more than 50 air carriers employing tens of thousands of workers that could be swept up in these mergers. And the result could be massive job losses, the elimination of collective bargaining rights, abandoned service to already under served communities, and

severe economic hardship in those airline hub markets that are downsized.

Too often senior management and short-term investors feed at the merger trough and expect disproportionate rewards and returns while workers and the public suffer. Hefty returns for select investors cannot justify airline mergers that destroy jobs, threaten bargaining rights and jeopardize basic air service. It will be strong unions, unified under the AFL-CIO and the TTD

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umbrella that can wage the fight on behalf of these workers.

The concerns for airline employees are especially severe in workforces that do not have the benefit of a union voice. We have recently seen this problem in vivid terms as Delta has pushed through a restructuring that has harmed thousands of its workers. These unrepresented workers are suffering because they lack strong unions fighting for them. Today, more than ever, Delta employees and all workers in this industry will need strong unions to protect their jobs. And now is not the

time for workers to break-off and form independent unions that do not have the resources and experience to protect workers in these difficult times.

Workers and their unions must be brought to the table by any airline wishing to merge. The fact is that airlines cannot operate efficiently without the support of its workers and mergers that proceed without employee support will likely face additional and significant challenges as airline unions have learned from years of experience.

Lawmakers must exercise vigorous oversight and be prepared to stop airlines from damaging

America's air transportation system and ignoring the impact of their decisions on workers, passengers and communities. And Congress must be prepared to act if airlines attempt to use mergers to eliminate collective bargaining rights.

Transportation unions, in coordination with the AFL-CIO, will consider all options, including legislative, political and capital strategies, to defend front-line aviation workers, air travelers and communities during this difficult period of aviation industry consolidation.