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2006 Re-Launch

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Incident(s) and Accident(s)	No news
Other Information	No news
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The ITF's Civil Aviation website is at: <u>http://www.itfglobal.org/civil-aviation/index.cfm</u> The ITF's general website is at: <u>www.itf.org.uk</u>



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Secretariat Update

Recent meetings:

As the last "Briefing" came out over a year ago, please refer to previous meetings via the ITF's website. All meetings' reports for 2005 are published in the password protected "ITF extranet", which is accessible for all affiliates by using their assigned password. Should you not have received your password yet, just send us an email.

Coming events:

The following meetings and events are scheduled to take place. Please note that invitations for these events were circulated through the usual channels within your respective organisations, or are soon going to be circulated. Consult with the proper department about possible participation.

- TUI Trade Union Coalition, London, 8/9 February 2006
- Integrators Conference, London, 1/2/3 March 2006 with "aviation only" day on 1 March 2006
- Alliances Trade Union Coalition meetings, plus Alliance strategy meeting, Washington, 9/10/11 May 2006 (to be finalised)
- Occupational Health and Safety Meeting, Malta, 25/26 May 2006

Information sources, new material and publications:

New aviation headlines on our website (please note that these headlines are click'able links!):

- The ITF aviation website's news are available at http://www.itfglobal.org/civil-aviation/index.cfm
- The latest edition of the ITF flagship publication "Transport International" is available electronically at http://www.itfglobal.org/transport-international/ti21.cfm. Please check this edition, as it provides articles from the civil aviation world which you might also re-use for your union purposes.

Organisational and administrative news:

- A draft "Section Directory" with key union contacts of all postholders within the Section will be issued shortly.
- A draft "airline alliance directory" with key union contacts by airline and country will be issued shortly. Affiliates who have not filled in the relevant questionnaire are invited to please do so, and return it to the Secretariat.



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Union and Labour related information:

Indonesian national carrier withdraws dismissal threats: Two trade union activists working for an Indonesian airline who faced the sack are set to return to work after the company withdrew its dismissal threats. The move follows a call by the ITF for solidarity action by affiliates over anti-union practices at the airline. Last December, ITF affiliate IKAGI, representing Garuda International Airlines cabin crews, informed the ITF of a number of attacks on members over past months, including threats to dismiss two trade unionists. Sanctions were also imposed on nine trade unionists in November resulting in wage cuts. Letters of protest from ITF affiliates to the government and airline management helped trigger a management turnaround, and dismissed workers were re-instated. Source: ITF Online, 11 January 2006

Air traffic controllers jobs lack funding in USA: The US Federal Aviation Administration is considering shelving plans to hire 1,249 new air traffic controllers this year because of cuts mandated by recent budget legislation, despite the urgent need for new controllers as three out of every four become eligible for retirement over the next decade. But while the agency cites budgetary pressures from labor costs, it still decided to raise management salaries and hire additional supervisors to oversee a shrinking workforce. That the FAA would entertain postponing staffing plans – despite the agency's recent approval of generous pay raises for management – is of great concern to air traffic controllers who are depending on new hires to help confront a wave of upcoming retirements and record levels of air traffic. NATCA Press, 11 January 2006

Boeing negotiations: The IAMAW negotiating team met with Boeing representatives in Seattle, WA, to review outstanding issues in the dispute that led to a strike on 2 November 2005. At the meeting, Boeing declared they are still unwilling to move from their current positions on retiree health care and shifting health care costs to hourly employees. Despite numerous suggestions that could serve as the basis for restarting talks, Boeing refuses to alter their final positions. The union continues to try and bring this dispute to a satisfactory conclusion. Source: Website of IAMAW, at <u>www.iamaw.org.</u>, 9 January 2006

US transportation labour opposes Bush allowing foreign control of U.S. Airlines: AFL-CIO transportation unions called on the Bush administration to withdraw its proposal allowing foreign interests to control U.S. airlines, as part of a deal with the European Union: Apart from concerns about national security, the proposed changes would harm American workers' interests, as collective bargaining gains would be jeopardized by airlines seeking out the lowest wage and benefit workforce to fill positions. Also, the growing trend of U.S. airlines sending aircraft maintenance to poorly supervised overseas repair facilities would be increased, and some U.S. airlines have already begun to contract out cabin crew positions overseas. The Bush administration has published its suggestions in November 2005, and a hearing is expected in early February. Source: AFL-CIO, TTD, 06 Jan 06. See website at http://www.ttd.org/

Eleven Air Traffic Controllers reinstated after wrongful termination: The US FAA wrongly fired 11 controllers in August in an attempt to intimidate the workforce at the New York Terminal Radar Approach Control facility on Long Island. It clearly appeared to the outside observer that the termination was not related to the case stated, but rather an effort to discourage air traffic controllers from seeking treatment for job related stress conditions. One of the agency's own witnesses even testified that these controllers were removed in order to institute a "culture change." The air traffic controllers were reinstated by a federal arbitrator in a stinging defeat for the Federal Aviation Administration. Source: NATCA website, at www.natca.org., 13 December 2005



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Airlines, Alliances and Industry:

India Jet set to buy Air Sahara: Most of India's major newspapers are quoting sources today as saying a deal is imminent that will see Jet, which is India's largest privately owned carrier, taking over Air Sahara, which is owned by the Sahara Group conglomerate. Some reports say the deal will be worth around \$560 million. Jet and Air Sahara were the sole survivors from India's first deregulation phase of the early 1990s and they currently have domestic market shares estimated at around 43% and 12%, respectively. Over the past two years many new airlines have been launched to challenge them in the domestic market. Recently launched Kingfisher Airlines was considered a front-runner in the bidding but its owner is quoted as saying the asking price was too high. Source: Air Transport Intelligence, at <u>www.rati.com</u>, 11January 2006

Gulf Air to codeshare with Thai Airways: Middle East carrier Gulf Air is entering a codeshare agreement with Star Alliance carrier Thai Airways. Gulf Air says that this is only the beginning, and that the carrier will soon be offering more destinations in the Asia-Pacific region. Source: Air Transport Intelligence news, 09 January 2006

US carriers seek to block Virgin's plans: US majors are rallying against Virgin Nigeria's efforts to begin transatlantic services, following the carrier's disclosure of plans to start serving the New York area this year. They argue that the carrier is too closely linked with UK long-haul operator Virgin Atlantic, which has a 49% shareholding in Virgin Nigeria and claim that the flights would amount to a seventh-freedom service and, because of this, would be extra-bilateral. Also, it is stated that the carrier fails to satisfy the requirement contained in the US-Nigeria bilateral agreement for designated carriers to be substantially owned and effectively controlled by homeland nations. US majors have already put strong pressure on US-based start-up carrier Virgin America, demanding clarification of the airline's ownership and management links with Virgin Atlantic and Virgin Group. Source: Air Transport Intelligence news, at <u>www.rati.com</u>, 09 January 2006

TACA considers alliance membership: Central America's TACA group of airlines is considering abandoning its current strategy of establishing bilateral agreements and instead joining a global alliance. TACA said that the organisation is negotiating a comprehensive bilateral alliance with an important airline which could ultimately introduce the group into a membership of a global alliance. While it would not identify the alliance, the carrier says that it is not an alliance partner of Oneworld member Iberia – with which TACA has a codeshare relationship. TACA's neighbour and main competitor, Panama-based Copa Airlines, is preparing to become a regional member of SkyTeam. Source: Air Transport Intelligence news, at www.rati.com, 15 December 2005

Aviation Economics:

The World's Top 50 Cargo Airlines: The ranking of the world's top cargo airlines provides a picture of the global air freight business being focused in Asia. Six of the top 11 carriers are based in the Asia-Pacific region and the non-Asian airlines featured near the top of the list have significant Far East-related business. U.S. express giants FedEx and UPS, ranked first and fourth, both announced plans over the summer to establish massive air hubs in China by the end of the decade. The fastest growing among the top cargo airlines was Emirates, which saw its SkyCargo business surge 35.7 percent year-over-year to claim the No. 15 spot on the list. Emirates has averaged 50.5 percent annual cargo traffic growth over the last five years. Source: Air Cargo World, January 2006

Setbacks and success for world airlines: The soaring cost of oil and cut-throat competition has left many of the biggest names in the sky reeling, showing the industry going through the worst crisis in its history.



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IATA anticipates that, overall, the industry will have plummeted into the red by \$6bn in 2005, marking a fifth consecutive year of losses. But despite the bleak outlook, a number of airlines have continued to perform strongly, while the IATA itself predicts the sector could return to profit in 2007.

<u>Bullish budget airlines:</u> Europe's top no-frills airlines continued to climb high, with Ryanair reporting an 18% jump in half-year profits in November 2005 and Easyjet a 9% rise, with fuel costs soaring almost 50%. Outside Europe, India's emerging no-frills market continued to shine. Spicejet took to the skies in May, and carrier Kingfisher as another start-up.

<u>Troubled US skies:</u> The US airline industry has largely failed to recover from the downturn following the 11 September 2001 terror attacks, while higher fuel prices have added to the desperate situation faced by many airlines. Bankruptcy protection hung over many of the most prominent US airlines. In September 2005, Delta Air Lines and Northwest announced within minutes of each other that they were filing for Chapter 11 bankruptcy protection. They joined fellow troubled carriers United and US Airways. Troubled carrier US Airways and smaller America West Airlines merged.

<u>Flag carriers take stock</u>: Efforts to turn around troubled Alitalia continued. The Italian government said it would help prop-up the ailing carrier in November by buying almost half of the shares on offer in a 1bn euro new stock issue. Other carriers claimed it was an unfair state subsidy, but European regulators disagreed. Alitalia has expressed hopes that it might eventually be able to join forces with Europe's biggest carrier, Air France/KLM. Meanwhile, British Airways had yet another mixed year, with its flights from London's Heathrow airport grounded for two days in August during a dispute at Gate Gourmet, the company which supplies BA with its onboard food. Germany's Lufthansa, Europe's second-biggest carrier, raised its profit forecast for the full year twice, and snapped up smaller carrier Swiss.

In other regions: Emirates aims to become the biggest long-haul carrier in the world by the end of the decade, ordering 45 Airbus A380 planes. Source: BBC News business report, 02 January 2006

Regulators, authorities, ownership:

On ownership regulation in the USA see above, "Union and Labour related information".

EU court rules about passenger compensation: The European Court of Justice rejected claims by the International Air Transport Association (IATA) and the European Low Fares Airline Association (ELFAA) that the regulations were unfair to their members and failed to protect consumers. It said that the rules were not at odds with the Montreal Convention on compensation. It also ruled that all airlines had to be treated in the same way, irrespective of pricing policies. The EU's air passenger rights came into force last February and affect all flights that start or finish within the EU. Passengers bumped off flights that have been over-booked are entitled to $\leq 250 \cdot \leq 600$ (£170-£410) compensation depending on the length of the flight, plus a refund of their ticket and a free flight home if relevant. If a flight is cancelled, the airline must give a refund of the ticket and a flight home if relevant, plus meals and hotel accommodation if required. If there is a long delay, the airline must offer food and drinks plus a hotel room, if relevant. If there is a delay of five hours or more, the airline must offer to refund the ticket and provide free transport home. The airlines do not have to pay compensation if the flight is cancelled for safety reasons and travellers have alleged that the true reason for the cancellation is not necessarily the one given to passengers. Source: The Guardian, 11 January 2006

EU: Emission quotas for airlines to be set this year: New European Union rules designed to curb pollution caused by aircraft taking off from EU airports are to be unveiled this year. European environment ministers have given the green light to plans to include aviation in the EU's emission trading scheme (ETS) to cut greenhouse gases that damage the environment and urged the European Commission to table concrete legislative proposals. They also asked the EU executive to commission an impact assessment of the environmental, economic and social repercussions, including possible knock-on effects on the price of allowances and general electricity charges, competitiveness between carriers and alternative modes of



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transport, and the competitive situation among carriers serving peripheral regions. An Aviation Working Group is to advise the Commission on such contentious issues as how to calculate and apportion the industry's overall emission limits and the types of flights covered. The new rules would apply to any flight departing from an EU airport regardless of its destination as international flights account for over 60% of aircraft emissions. Source: EU Transport Report, 09 January 2006

EU to extend transport links to Siberia and Middle East: The European Union is planning to offer closer transport links to more than two dozen non-EU countries from Azerbaijan to Israel in what would be the EU's boldest and most far-reaching foreign transport policy move to date. An expert group advising the European Commission has identified five transnational transport axes at a cost of €45 billion. If realised they would boost links between the EU and places as far flung as Siberia, the Middle East, and the littoral states of the Caspian and Black Seas. The projects envisaged would cover, among other, the extension of the European satellite radio navigation system Galileo and the Single European Sky initiative. Source: EU Transport Report, 09 January 2006

Safety, Security, Air Rage, Ground Rage:

Child considered terrorist: Red-faced security officials are still trying to explain why a four-year-old child's name showed up on a government terrorist watch list. "Is this a joke? You can tell he's not a terrorist," the mother told Continental Airlines agents last month at Bush Intercontinental Airport in Houston. She said she repeatedly had to plead to get her son on two flights in Texas. Among others who have encountered problems with airports are US Sen. Edward M. Kenney. The Transportation Security Administration's "no-fly" list was set up right after 9-11. A spokesman for Continental said the airline could not discuss its security policies. Source: travelmole, 12 January 2006

Airline safety review 2005: Airline safety in 2005 took a step backwards to the late 20th century in terms of the number of fatal accidents and resulting passenger and crew deaths worldwide. It was a disappointing 12 months given the outstanding safety performance in the previous two years. Until 2004 the figures for fatal accidents, fatalities and hull losses had all shown a consistent decline, but 2005 has, at least temporarily, reversed that, showing 34 accidents and 1,050 fatalities. There were several common factors in the major fatal accidents in 2005, however, especially those involving jet airliners: they involved airlines based in countries that have a mediocre or poor safety record compared with the world average; and almost all the states of registration of these crashed aircraft have struggling economies, which usually means that safety oversight is low on the political priorities list. Another significant factor in the 2005 safety scene was the continuing absence of fatal accidents involving major world airlines or the latest generation of airliners – those with fly-by-wire control systems or state-of-the-art flightdecks. Overall, the world's safety problems are becoming ever more clearly regionalised and related to ageing technology. The International Air Transport Association has recognised this with its Focus on Africa programme, into which IATA is putting more resources, saying that Africa may be the region with the most dramatic need for attention, but it is not the only one. Source: Flight International, 10 January 2006

EU black list just weeks away: EU aviation authorities will have 50 days to turn over their black lists of airlines banned from their airspace to the European Commission when new EU aviation safety rules are made official in the next few weeks. European transport ministers have formally granted the Commission powers to set up an EU-wide black list under a new EU regulation designed to ban unsafe airlines across the EU and inform passengers about the identity of such carriers. Updated every three months, the list will include carriers where "there is a lack of ability and/or willingness to address safety deficiencies or if there is a lack of ability and/or willingness to address safety of an air carrier to address



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safety deficiencies, to enforce the relevant safety standards or to oversee the aircraft." Source: EU Transport Report, 09 January 2006

The price of abusing cabin crew: The 53-year-old man was confined to Porto Santo, a Portugueseadministered desert island, for 36 hours after local police questioned him over the air rage incident. According to the airline, Monarch, the man appeared to be drunk and repeatedly insulted cabin crew and fellow holidaymakers shortly after the Airbus A321 left Manchester. As the plane reached its cruising height of 35,000ft, the captain decided to make an unscheduled stop and throw the man off the plane. The tourist was then being investigated over accusations of "disruptive behaviour on an aeroplane", an offence under Portuguese law which carries a maximum two-year prison sentence. A spokeswoman for the airline said the man had not been physically violent but the airline was considering launching legal action against him for disrupting the flight and causing an expensive unscheduled stop. The airline said the passenger would not be welcome on their aircraft again. Source: The Guardian, 30 December 2005

US Transportation Safety Administration allows sharp objects on planes again, unions oppose: On 11 September 2001, ordinary household items were used to commandeer four commercial aircraft to use as missiles. US Congress acted by prohibiting similar items from being brought onboard aircraft. The rules were now changed, valid December 2005, which will once again allow potentially dangerous items back onboard the aircraft. A website has been created to give a voice to all concerned. To sign the petition to the TSA Administrator, visit <u>www.leaveallbladesbehind.com</u>. Source: AFA website, <u>www.afanet.org</u>

Health and Safety:

Cabin crews file lawsuit against federal agencies: The Association of Flight Attendants-CWA (AFA-CWA) filed a complaint against both the US Secretary of Labour and the Federal Aviation Administration (FAA) Administrator for their failure to ensure the health and safety of cabin crew and other employees working in the airline industry. According to the U.S. Bureau of Labour statistics, cabin crew suffer injuries and illnesses four times more frequently than workers in private industry and more than twice as often as those in construction. Under the US American Occupational Safety and Health Act, the Secretary of Labour is empowered to assure "every working man and woman safe and healthful working conditions" unless another federal agency exercises authority. In 1975, the FAA asserted jurisdiction over the health and safety of crewmembers on civil aircraft, yet has failed to enforce basic standards. AFA-CWA's complaint is asking the court to issue an order declaring that the FAA has failed to exercise its asserted jurisdiction to establish occupational health and safety standards for crewmembers. Source AFA website, at www.afanet.org

Incident(s) and accident(s):

No news.

Other information:

No news