

## **The Relentless Drive To Lower Costs**

Automotive parts used in aircraft, inoperative landing gear not repaired before flight, sleep deprived pilots, below poverty wages, poor customer service: these are some of the problems highlighted in a Bloomberg News Service article about commuter airlines.

Airlines for obvious reasons can't do what other industries have done to lower costs and push up profits and executive compensation. Instead of outsourcing unionized and higher paying jobs to low wage countries airlines have created "commuter airlines". These airlines have one reason for existence according to Air Line Pilots Association (ALPA) Vice President, Paul Rice, "Major airlines contract out to regionals to lower their expenses by getting around union agreements...The way the industry is structured is that management will go out and find a new airline and start siphoning off business to whoever will fly cheaper."

### So Called "Regional Partners"

Skywest, a "regional partner" with Delta Air Lines must keep its costs at or below average rates for all of Delta's "partners" says SkyWest CEO, Jerry Atkins. The cost cutting culture is pervasive at regional airlines, putting passenger service and safety at risk, according to Scott Erickson, President of ALPA at Pinnacle Airlines, another Delta "partner".

Here in MSP the use of "regional partners" and "commuter" aircraft have exploded over the last decade. IAM Local 1833 President, Ken Hooker has attempted to organize workers at Mesaba three times during this period. "In 2000 these flights constituted around 20% of all Northwest

flights. Now it is about 50%. Northwest uses the low wages at Mesaba as a battering ram to threaten us", Hooker says. "We still work Compass Airlines flights, but we expect a huge fight in the near future over whether we will continue working those aircraft."

We hear ramp managers complain on a regular basis about the poor service and operations at Mesaba. It is no wonder. Low wages at Mesaba keep the "revolving door" for employees swinging. It is commonplace for Mesaba flights to wait for a park for extended periods because of staffing shortages. This is the real face of the disease called cost pressure.

### The Real Face Of Cost Pressure

Despite all the happy talk from the Delta CLT about bringing us up to industry standard, the real plan is to drive down the industry standard to cut costs. In 1997 Delta went on a drive to lower the cost per passenger seat mile to 7.5 cents. This meant the outsourcing of ramp work at dozens of stations. The cost per seat mile today stands at 4.19 cents, according to the Air Transport Association. This was achieved through bankruptcy, concessions, expansion of outsourcing and expansion of programs like Ready Reserve. This is the real face of the disease called cost pressure.

Only one thing stands in the way of the relentless drive to lower costs. Unionization. Without a union the future will be imposed on us. With a union we get to help create the future.

**Union Meeting** – Regular Day Shift Meeting - Thursday, January 14 at 4PM. Bloomington Eagles Club.

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