

US aviation workers face massive job cuts amid talk of airline bankruptcies

By Steve Filips
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The four major US airlines: Delta, Southwest, United Airlines, and American Airlines have seen enormous losses as travel volume has decreased by over 90 percent due to the impact of the coronavirus pandemic. The other air carriers in the top ten including companies like JetBlue, Alaska Airlines, and Hawaiian Airlines have seen similar declines this year.

The profits extracted by the US airline industry from the labor of workers over the course of the last decade have largely been handed back to large investors in the form of stock buybacks aimed at boosting share values. However, this year the top ten airlines in the US have reported losses, leading to talk of the bankruptcy for at least one major airline. On May 12 Boeing CEO David Calhoun in comments to NBC News said, “There might be a major U.S. carrier that just has to go out of business. Yes, most likely.” There is speculation that it might be American Airlines, with nearly 129,000 employees.

This month, one of the world’s richest people, Berkshire Hathaway chief Warren Buffett, indicated his diminished expectation for profits in the airline industry by selling all shares, totaling \$4 billion, of the four major airlines. The move impacted the ability of the companies to sell corporate bonds to help fund their day-to-day operations.

Buffett had shunned buying shares in the airlines until 2016. He changed his position after the mergers that led to attacks on the wages and benefits of airline workers, enforced by the trade unions. The concessions resulted in greater profits and stock buybacks, producing higher share values.

Airlines for America, a passenger and cargo industry lobbyist group that represents the largest aviation firms in North America has stated the industry spurs \$1.7 trillion worth of economic activity annually and

involves 10 million jobs in the US. A study issued this month by the National Bureau of Economic Research (NBER) points to the possibility that up to 42 percent of US jobs might be lost permanently because of the coronavirus pandemic, which would lead to over 4 million job cuts in the aviation industry.

Delta and JetBlue have come under criticism from a number of US Senate Democrats for cutting the hours of their workers in opposition to the rules set for the receiving of aid under the Payroll Protection Plan. The airlines were granted \$25 billion, with Delta receiving \$5 billion and JetBlue \$935 million, money supposedly designated to protect the pay of workers. Instead, the airlines have been angling to gain competitive advantage over rival firms through the cutting of hours and pocketing the rest of the money to fatten profits.

United Airlines was the first to attempt cutting hours but backtracked that decision after opposition from US lawmakers.

Regarding the attack on pay, benefits, and jobs one veteran aviation worker in social media comments said, “We’ve seen this show before. They used the same terminology before they laid people off post 9/11 and during bankruptcy.”

The unions have been complicit in the attacks by the airlines on aviation workers. They have assisted in the vast elimination of jobs, the imposition of miserable working conditions and raids on workers’ pension. In the face of the present crisis triggered by the pandemic, they can be expected to again work with the airlines to impose massive cuts.

Delta has long been a target of unionization efforts and a number of trade unions have been vying to bring workers into the fold, such as the campaign by The Association of Flight Attendants (AFA) that merged with the Communications Workers of American

(CWA) in 2004.

In May 2018, JetBlue's pilots, members of the Air Line Pilots Association (ALPA), reached their first contract agreement with the airline imposing "market competitive" pay rates. Earlier in 2018, the JetBlue flight attendants voted to join the Transport Workers Union (TWU).

AFA president Sara Nelson has been touted as a possible replacement for AFL-CIO Chief Richard Trumka. Nelson was also mentioned in the *International Business Times* as a potential Democratic Party Vice Presidential running mate of Joe Biden.

Only in late April had Nelson pleaded in a letter to the US Department of Transportation (USDOT) Secretary Elaine Chao to enact rules mandating that masks be worn by passengers. The union has sought to keep workers on the job even under conditions where proper social distancing is impossible on packed airline flights. Currently there is no industry-wide rule from the USDOT mandating that passengers wear masks, putting passengers and crew at significant risk.

The *World Socialist Web Site* and the Socialist Equality Party have advanced a program that calls for no return to work until conditions can be made safe. This can only be achieved through the independent actions of workers, not the pro-company unions. It means that workers must form independent rank-and-file workplace safety committees that will place safety over private profit. We urge workers interested in learning more to contact the *World Socialist Web Site* .

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>