

*WORK-RELATED VIEWS OF FLIGHT ATTENDANTS AND PILOTS
SINCE 9/11*

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Background

The observations made in this document are based on telephone polls and web-based surveys conducted by the Wilson Center for Public Research, Inc. which has operated since 1985. Some historical references are based on work conducted by the Phillips Center for Public Research, Inc. which operated from 1979 until 1985 and focused on polls of workers in manufacturing and service industries, other than airlines. The Wilson Center has had a larger scope of activity and has conducted studies and polls of employees' attitudes in almost every economic sector and has interviewed workers in 14 languages.

To date, the Wilson Center and the Phillips Center have conducted about 7,400 polls and surveys involving more than 2,000,000 respondents. Of this number about 1,000 studies have been in the airline industry. Since 9/11 we have conducted several hundred studies of pilots or and a smaller number among flight attendants which have involved an aggregate sample of about 110,000 respondents. The sampling for all studies employs scientific stratification. Sample margins of error have ranged from less than 1% to no more than 5% for any given study.

In the airline industry, the bulk of work has been undertaken in connection with Section 6 bargaining. Other studies have addressed interim bargaining, concessionary bargaining, the post contract implementation phase, contract compliance, safety and security, implementation of schedule changes (such as PBS systems), communications, views of the union or views of management.

Almost all of the studies have been conducted at the request of labor organizations. In a few cases, studies have been conducted for joint labor-management committees or for benefit plan administrators. In some cases, a single poll has been conducted. In more instances, (especially in connection with bargaining) there have been multiple studies within the same unit

Just since 9/11, the Wilson Center has conducted 67,105 telephone interviews with ALPA represented pilots and have collected data from an additional 35,004 ALPA members via web surveys. These include several national studies involving all ALPA members and many studies for specific bargaining units. Since 9/11 we have conducted an additional 6,106 interviews among pilot groups represented by the IBT, SWAPA, NPA, and for the organizing committee for pilots at Skywest. In that same time frame we interviewed 3,594 flight attendants represented by the AFA. This includes a national study of all members in 2004 and a number of bargaining unit specific polls. The carriers for which bargaining unit specific studies of either flight attendants or pilots have been conducted are listed on the at the end of this document

The focus of this paper is the work-related views of flight attendants and pilots in the post 9/11 environment. There are two historical reference points that are used as bases of comparison. One is the airline industry's downturn following the first Gulf War in the early 1990s. The other is from our work in the 1980s in manufacturing and the service sector. At that time, segments of the unionized portions of both of these sectors experienced prolonged periods of concessionary bargaining (albeit for different reasons.) The relevance of these historical reference points is that the views of those unionized employees and airline employees in the early 1990s stand in stark contrast to the current views of flight attendants and pilots.

In the past, unionized employees have generally responded to their employer's economic distress by seeking to mitigate the situation via cooperation. Concerns about job security were paramount. Militancy diminished to an almost negligible level. Among the union members we polled in the 1980s and early 1990s, (who were involved in concessionary bargaining) there was a strong desire for their leaders to protect jobs at almost any cost. If the concessions were occurring on an industry-wide basis, members embraced the notion of negotiated partnership arrangements with management or endorsed having their union operate in such a manner, de facto

In 2005, attitudes among pilots and flight attendants are so different from what has occurred in the past that they qualify as unprecedented.

Snapshot of Current Sentiments

Current attitudes of pilots and flight attendants regarding their jobs, their contracts, contract goals and management are at the lowest point since we began polling in the airline industry (1980 for flight attendants and 1987 for pilots.) This is not surprising. What is surprising is the level of militancy. What may be even more surprising are the collateral motivations and implications.

On the surface, some of the current attitudes among pilots and flight attendants may seem counter-intuitive. For example, job security concerns are significantly lower and militancy is substantially higher than are typical among workers in an economically distressed industry. Militancy levels at bankrupt airlines are especially high.

Also ostensibly counter-intuitive is the fact that anger toward management regarding economic concessions is not the principal motivation. Following 9/11, pilots and to a lesser extent flight attendants largely accepted that economic concessions, although highly undesirable, may be necessary due to external factors. But since then sentiments regarding the lack of contract compliance and perceived lack of respect for employees have reached the level of outrage.

There is also widespread disdain framed on the view that airline management is unable to execute a viable business plan. Exacerbating these sentiments is the growing perception that executives at some economically distressed airlines are “short-timers” who are more concerned with their own exit strategy than with the long-term viability of the company.

Negative sentiments toward management are not limited to those who have negotiated concessions. Such sentiments are also evident among pilots and flight attendants at small jet carriers, traditional low-cost carriers and among pilots at cargo companies, many of which are not economically distressed. In these cases, complaints over contract violations, especially in the area of scheduling and use of discipline began to rise in 2003 and have intensified since then. At some of these carriers, there have also been high levels of complaints about failure to implement contract provisions already negotiated. At other carriers management requests for economic relief have been seen as motivated by greed rather than need. At a number of the low-cost, small jet or freight carriers, militancy (especially among pilots) had been comparatively low during the 1990s. This has reversed since 2003.

In other industries that have had prolonged periods of concessionary bargaining management and labor have usually entered into partnership arrangements aimed at addressing common concerns. In the airline industry such arrangements have been notably absent since 9/11. Of those that do exist, either formally or de facto, support for partnership arrangements among pilots and flight attendants has deteriorated in all but two cases. Ironically, there is significantly more demand by members that their union leaders take an aggressive (rather than a cooperative) approach with management now, than was true in the late 1990s.

Mistrust is at the core of the situation. The rapid and dramatic change in the bargaining environment plays a role. But there is an additional factor, unrelated to the economic problems of the airline industry, which compounds negative views of management and increases militancy. This is generational differences in work-related attitudes.

The Evolution of Views

The 9/11 tragedy had an immediate and profound effect on the job-related views of flight attendants and pilots. Simply stated, they rallied to the defense of their industry and to their respective companies. During the closing months of 2001 there was a surge of support for management, a drop in the propensity to report grievances, and a mitigation of expectations in negotiations. In a number of cases where Section 6 bargaining had been underway, flight attendants and especially pilots, felt that discussions should be suspended.

In early 2002, there was significant concern about the drop off in load factor and growing concern at a number of passenger carriers that the company would cease operations. The passage of the ATSB legislation was initially greeted with a combination of relief and support for management's efforts. But the initial optimism over ATSB eroded. The perception that airline management had failed to secure a good arrangement with the government began to gather momentum. When very few airlines actually qualified for ATSB loans, this sentiment became more intense – and intensified further as the ATSB requirements limiting labor costs were better understood.

During the latter part of 2002, flight crews started to complain about the delays they were experiencing at airport security points and about the speed of security upgrades for aircraft (such as reinforced cockpit doors and the implementation of the FFDO program.) These were not major issues, but along with sentiments regarding the ATSB legislation, contributed to a sense that airline management was not adept at dealing with the government. A surprising number of verbatim comments in polls during 2002 made reference to the difference between the airline industry's lobbying efforts and the earlier success of the Chrysler "bail-out".

The reactions received during 2002 regarding governmental and regulatory issues are referenced because they were the incipient indication that common ground between labor and management was beginning to erode. Nonetheless, there was an understanding that the industry was in trouble. When furloughs occurred, few members of either union (including the furloughed employees we interviewed) were surprised or angry. Nor was there much initial resistance to the notion that concessions might be necessary. Flight attendants and pilots who remained at work were glad to have a job. Furloughed employees were hopeful of a quick return to work. Companies that requested economic relief or signaled that they may need to in the near future were generally seen as doing what was necessary to survive.

There was a point of demarcation, however, when the first round of concessions actually occurred. The magnitude of the concessions sought by management was a shock to flight attendants, but less so to pilots. Flight attendants complained bitterly that they simply could not afford to give back so much. Pilots were by no means sanguine about concessions, but were generally more familiar with their Company's finances and more inclined to accept concessions as undesirable but warranted. However, the caveat with most pilots was that whatever they gave needed be a permanent "fix." They often viewed concessions as an "investment" in their company and expected management to use their investment wisely.

Concessionary bargaining in 2002 had unexpected effects on the views of flight attendants and pilots at companies that were not asked to grant economic relief. While these employees had a high level of familiarity with concessions at other companies, their own contract expectations were largely unaffected and in some instances actually increased. Most pilots and flight attendants viewed concessions elsewhere as unrelated to their own company's financial condition. Concerns over job security were generally muted at airlines that were not involved in the initial round of concessionary bargaining.

At a smaller number of airlines, pilots and flight attendants viewed concessions at other companies as a factor that could actually reduce competitive pressures or spur expansion at their own firm. At first, this may seem counter-intuitive because lower costs at another airline could provide that company with a price advantage. But, the initial concessions were accompanied by furloughs and a reduction in capacity at the affected airlines. A reduction in capacity at other airlines was seen as potentially boosting the load factor at carriers that had not reduced capacity. Hiring at several low-cost and small jet carriers continued. At some carriers contract expectations actually rose; at most, expectations remained steady. The notion that the airline industry was in crisis had declining resonance.

In 2003, the Wilson Center did very little polling among flight attendants. A significant number of studies were conducted among pilots. During the first half of the year, concerns rose at some larger carriers regarding loss of revenue. However, competition from low cost carriers was seen as a secondary issue. Low ticket prices and the shifting of some flying to small jet carriers (especially when they were subsidiaries) were more dominant concerns. Pilots at larger carriers involved in bargaining felt that management was taking these actions principally as a negotiating tactic. Economic expectations moderated only slightly and the relevance of enhanced scope language increased.

Among pilots at small jet carriers, expectations rose significantly and willingness to strike spiked sharply higher. The same was true at cargo carriers and low-cost airlines involved in bargaining. The reasoning of pilots in these industry segments was that revenues at their companies were growing. There was a sense among these pilots that "their time had arrived" to make significant gains.

Among cargo pilots, the problems of passenger carriers were viewed as irrelevant. At low-cost carriers, the perception was that a "no-frills" format was what passengers wanted and their company was bound to gain market share. Small jet pilots viewed management plans to expand the type of flying beyond "feed" as augmenting their bargaining power. They also felt that declining opportunities to either "flow through" or get hired by a major airline made it essential to gain significant improvements here and now.

During the second half of 2003 a new concern surfaced among pilots at several major or national carriers. This was their company's debt load. Wall Street analysts had begun to raise this issue. Management at several firms reinforced this concern. Pilots at the affected airlines were quick to understand that debt load was another challenge to the economic viability of their company.

At carriers where we asked questions about debt load, pilots wanted detailed analysis by their union to determine if economic relief was warranted. Without such verification from their union, they were highly skeptical of information provided by management and quite skeptical of information from Wall Street analysts or investment bankers.

Pilot's reaction to debt load concerns had some interesting components. First, it undermined their view of management's business acumen. Unlike the shock of 9/11, pilots viewed debt load as something management had known about well in advance. Many felt that management should have dealt with debt load before it reached the level of a crisis. They noted that interest rates had been dropping since 9/11 and that the liquidity of credit markets had been significantly boosted by the Federal Reserve Board. They were surprised by the high rates of interest their company's debt carried. They felt that management had missed an important opportunity to renegotiate lower rates when their company had a higher credit rating. A vocal minority of pilots even asserted that the failure of management to re-negotiate debt sooner was part of a strategy to facilitate bankruptcy with the goal of abrogating the contract.

The second interesting feature of the reaction to debt load was its effect among pilots regarding labor costs. Even during the boom of the late 1990s, the most senior Captains had shown relatively strong identification with management at most large airlines. They were the minority who usually had the most moderate contract expectations and relatively lower militancy. During 2002 senior Captains at large airlines were the one segment that had felt that labor costs were a problem. This sentiment was obliterated when management at the affected company's began to call for concessions due to the size of their corporate debt.

Third, pilots whose companies sought economic relief in 2003 due to debt load viewed whatever they might grant as a bona fide investment, rather than a concession. The distinction was much more than semantic. These pilots felt they were being asked to fix a problem which management could have avoided. They were adamant that full due diligence occur before they made any investment in their company. They wanted quid pro quos for their investment. They demanded that any investment they made via contract modifications be matched by other employee groups and especially by management. They wanted assurances that their investment to be well used by management. They expected to be treated as stakeholders in the fullest sense of the phrase. If these conditions were not met, they were prepared to walk away from the bargaining table.

Another factor that influenced pilot attitudes in 2003 was a burgeoning sense that they were not being treated with respect by management. This was evident in all segments of the industry in which we conducted polls. It occurred at carriers that were in bankruptcy, at the few that were making profits and at the larger number that were between these extremes. Complaints about lack of respect surfaced among all but two pilot groups we polled that year.

Two common themes surfaced. One was the perception that management was undermining Captain's authority. Even more significant and widespread were complaints about persistent contract violations, especially in the area of scheduling. Complaints about unreasonable fatigue at the end of flights began to rise noticeably in the last few months of 2003 and have exacerbated since then. Morale dropped precipitously. At only two carriers we have polled since mid-2003 has pilot morale been positive. At the others, lopsided majorities (as high as 96%) have rated morale low. Views of management at most airlines have followed suit, both in terms of treatment of the pilot group and in terms of perceptions of management's ability to run the business.

Pilots at almost every airline we have polled in the past two years are demanding that their union strictly enforce the contract. They are also demanding that their union seek to deter contract violations as well as prosecute grievances aggressively. There has been a sharp increase in the number of pilots calling on their union to use informational picketing to compel contract compliance.

In 2004 we conducted a national poll of AFA members as well in several AFA bargaining units involved in Section 6 negotiations. Last year, we conducted a national poll for ALPA and many studies for ALPA pilot groups and pilots represented by other unions.

There were several notable changes in the 2004 data:

- High fuel prices were seen as the dominant economic problem at most passenger airlines
- The perception of the business acumen of airline management sunk to extremely low levels
- Concessionary demands were viewed either as unwarranted or required because of poor management performance
- Reports of contract violations spiked. Middle management, in particular, was perceived as engaging in contract violations that were intentional, persistent and punitive
- Militancy grew to intense levels, with the largest increases at several bankrupt carriers or at other companies where there had been relatively low militancy in the past
- Job security concerns diminished further as load factors increased
- Especially toward the end of 2004 a significant number of pilots indicated they were seeking work at another airline

- A number of pilots and a larger number of flight attendants indicated they were considering leaving the industry entirely
- Flight attendants and pilots wanted their respective national unions to articulate a broad strategy to prevent further concessions, regain lost ground and insure contract compliance (In the past such functions had been the “turf” of MECs, especially at the larger properties.)

When crude oil prices first moved past \$40 per barrel airline management pulled no punches regarding the consequences. In communications with employees, in financial reports and in interviews with the media and Wall Street analysts, management provided a clear and often highly detailed assessment of the negative effect of high fuel prices. The initial response from pilots and flight attendants was to brace for more furloughs and concessions. But several months later when \$50 per barrel was reached, their reaction was different. In verbatim comment questions they raised a fundamental question: Did management have a plan for coping with high fuel prices? Pilots made collateral comments regarding the ability of cargo carriers to pass the increased cost of fuel to the consumer and noted the fact that at least one passenger carrier had hedged its fuel prices when oil was below \$30 per barrel.

Despite the very significant rise in fuel costs in 2004, there was ultimately little attendant concern over job security. Instead there was widespread opposition to contract modifications sought due to the high fuel prices. There were two central motivations. The first was that management should have hedged against higher fuel prices. The fact that most airlines lacked the money to do this had little persuasive effect. The second reason the spike in fuel did not shift flight attendant and pilot views to a more conciliatory position was load factor, which in 2004 proved to be the highest in airline history.

Well before the year-end figures were announced, flight attendants and pilots were commenting that their planes were full. The fact that about 10,000 pilots were hired or recalled from furlough reinforced the view that passenger airlines (like the cargo companies) should raise ticket prices to at least cover increased costs. The much greater fragmentation of the airline passenger industry (relative to the cargo industry) and attendant lack of pricing power simply did not figure in the perceptions of pilots and flight attendants. Nor were their views mollified by the fact that airline passengers were much more price-sensitive than the businesses which comprised most of the cargo companies' customers. By the time oil reached \$50 per barrel, pilots and flight attendants at most airlines we polled were more than angry. They were intensely frustrated that three years after 9/11, management still appeared to have no game plan other than cutting labor costs.

Toward the end of 2004, flight attendants and pilots began to note a new problem that exacerbated the effect of high fuel prices. This was lack of pricing power due to the expansion of internet based discount fares. But the caveat in this case was the perception that airline management had “lost control” of ticket prices to internet-based discounters.

In the second half of 2004 and subsequently, the Wilson Center has been asked to gauge the willingness of members at bankrupt carriers to engage in legal self-help if the court imposed contract changes contained in management’s reorganization plan. This was the first time we had ever been asked by a union to conduct these questions at a bankrupt firm.

We tested the full range of self-help options under the RLA. Militancy was wide spread and intense. All forms of legal self-help received lop-sided support. A full scale system-wide strike, as soon as legally possible, was the most preferred course of action – followed by intermittent strikes. The same sentiment was found in almost all of the other pilot or flight attendant bargaining units in which we polled during the past 12 months. Militancy is at higher levels presently (by about 10%) than was true in the second half of the 1990s.

Fortunately, no strikes have occurred at bankrupt carriers thus far. But the propensity of employees at these companies and other economically distressed airlines to engage in legal self-help is markedly different from past poll results. In the past there was much more of a “spill-over” effect. Unionized employees were more prone to see concessions (or bankruptcies) at competitors as a harbinger of an industry-wide problem. They were more likely to negotiate concessions and to have heightened concerns about their own job security. In the 1980s (among manufacturing and service sector workers in economically distressed industries) polls frequently found that members thought their union leaders were “too aggressive” or were “hurting the company.” Willingness to strike dropped to low levels.

Contextual and Generational Factors

In addition to the motivations previously noted there are two other factors that cause the current sentiments among flight attendants and pilots to be so militant and so negative toward management. The first factor is the historical context and the second is generational

During the late 1970s and throughout the 1980s a combination of several recessions and persistent inflation adversely affected real living standards for most American workers. Economists coined the phrase, “stagflation”, and politicians referred to the “misery index”. The environment was one of lowered expectations and heightened concerns over job security. The effect on the sentiments of union members was significant and broad-based.

Relatively low militancy continued among flight attendants and especially among pilots in the early 1990s. There was a strong concern that the use of legal self-help could severely hurt the company or even put it out of business. One anecdote underscores how different attitudes were in the early 1990s. At that time, about 20% of the pilots at one airline took the unusual step of voluntarily mailing their company checks each month equal to 5% of pay.

By contrast, the mid- and especially the late-1990s was a period of strongly rising living standards and comparatively low inflation. During the late 1990s bargaining expectations among flight attendants and pilots reached extremely high levels. In a surprising number of cases, tentative agreements that contained very solid across-the-board gains were overwhelmingly rejected in ratification votes.

Just before 9/11, flight attendants and pilots at most airlines fell into two categories: Those that had already achieved significant contract gains and those that wanted their turn to do so. After the initial shock of 9/11 diminished, our polls showed that most pilots and flight attendants held expectations that were only somewhat lower than before. Those that had made big gains expected to keep them and the rest expected they would make gains after the industry “settled down”. When this did not occur quickly, they extended their time line, but did not quickly alter their expectations. When their expectations did finally begin to decline, they blamed management for being unable to bring back the late 90s boom.

The second factor that influenced sentiments in recent years is more subtle but may have longer lasting effects. This is the generational turnover among pilots and flight attendants. There was comparatively little hiring in the airline industry during the 1980s and early 1990s, but this changed in the second half of the last decade.

Flight attendants, who retired during the 1990s, were generally more conservative in their outlook and more cautious in their approach toward management. At some airlines, contracts contained different pay scales and other differentiations based on higher date. This created some age related divisions and caused the less senior F/A's to be generally more militant.

Retirement attrition among older flight attendants shifted the balance of union decision making to F/A's who were strongly committed to achieving significant contract gains. They quickly found common ground with the very large number of new hires that resulted from the rapid expansion at most airlines during the second half of the 1990s. Most of the new hires belong to a new generation. They were not “Baby Boomers” but instead belonged to what some demographers have dubbed “Generation -X”

Wilson Center polls in many industries and occupations have found that Gen-X'ers have distinctly different work-related views than older workers. Differences between X'ers and Boomers are more pronounced than distinctions between the Boomers and the generation that preceded them in the workplace. The work-related attitudes that distinguish X'ers include:

- Generally less respect for authority
- Greater skepticism regarding management
- A strong desire for rules to be justified
- An expectation that rules should be flexible and are negotiable
- Very high expectations
- An intrinsic sense of entitlement
- Short time horizons
- An expectation of rapid advancement at work
- Little expectation that the current job is a life-long career
- Likes the idea of "job-hopping" or changing careers
- Limited concerns about job security
- Very strong willingness to strike

In addition, Gen-X flight attendants report a high level of educational attainment. In a post 9/11 national poll for AFA, 45% of members aged 30 or younger said they had a college degree. Their willingness to strike correlates with the perception that they have employment alternatives (associated with their educational background) and that changing careers could be intrinsically interesting and/or provide more rapid advancement.

In the second half of the 1990s the job market was the most robust since the 1960s. Gen X job seekers, especially those with college degrees, had many attractive choices. In polls for the AFA, the Wilson Center asked a variety of questions aimed at ascertaining the appeal of the airline industry to newly hired F/A's. Their key reasons include:

- The airline industry is glamorous, fun, interesting
- Like to travel
- Benefits are good
- Travel Passes
- Good retirement pensions
- Jobs are secure
- Expect big raises
- Like working with people
- Convenient schedule
- Lots of time off
- Can continue education while working
- Can work part-time at another job

In the present environment, many of the motivations that initially attracted young workers to flight attendant jobs have been diminished or eliminated. While the job market is not as robust as in the late 1990s, hiring has picked up in many sectors during the past 18 months. Polls during 2004 and 2005 have shown a propensity among younger F/A's to leave the industry. They no longer feel the job is glamorous, fun or interesting. Views of benefits, including pass travel and pensions, have declined. Schedule related complaints have risen. While they are not particularly concerned about job security, few feel that jobs in the airline industry are as secure as those in other sectors. Many with college educations have said they are considering seeking work that is more aligned with their educational backgrounds. Many have also indicated a shift in their own "time lines." A common sentiment is that if job conditions do not improve soon, they intend to leave the industry. Among those whose contract is currently being negotiated, there is a strong tendency to wait for the outcome, and then decide to stay or leave.

The Wilson Center has been assessing generational differences among pilots since 1998. The first such request came from the Air National Guard. The national command and several of the state bodies noted that they had observed significant generational differences in pilot attitudes and behavior. The immediate question they posed in 1998 pertained to the high number of young pilots who had refused to take anthrax shots. They also noted a decline in retention rates. Wilson Center staff presented relevant information from poll data at the 1999 national meeting of Air National Guard Wing Commanders and subsequently at a half-a-dozen state conferences. These data were later augmented by a national poll of all ALPA small jet pilots, conducted in 2000. Our results showed that there were generational differences among pilots which roughly paralleled those among flight attendants. But there were some additional dimensions.

In the late 1980s (when the Wilson Center began polling pilots) and into the early 1990s, there were basically two generations of pilots – Boomers and those from the preceding generation. The older pilots were notably conservative in their view of labor-management relations. In verbatim comment questions, they often noted that they felt pilots were "really part of management." Many also commented that they had been in management positions during careers in the military – and they were not comfortable with being referred to as union members. They preferred to think of themselves as belonging to a professional association. Nor, were many older pilots comfortable with the notion of going on strike. Instead, they more often expressed vehement opposition to the idea of walking off the job. In the late 1980s there were also more pilot groups than now who were not unionized. The Wilson Center conducted polls in some of these bargaining units and found that the older pilots were strongly opposed to the concept of collective representation because they thought it was disloyal to their company.

Boomer-aged pilots were generally more union-minded during the late 1980s and early 1990s, but had mixed views of how aggressive an approach to take. They liked the idea of collective bargaining, but usually preferred a business-like approach. Although many had military backgrounds, most had left the military before reaching command rank. Few saw themselves as part of management. Their level of militancy grew during the second half of the 1990s, but it was in response to the perception that being prepared to strike was a good negotiating strategy during a boom period for most airlines. There was also a competitive aspect to their sentiments. If another pilot group had done well in contract negotiations they wanted to “raise the bar.”

Hiring of pilots increased significantly in the second half of the 1990s. Most of these pilots were quite young and a majority had no military background. The number of pilots trained by the military dropped following the first Gulf War. Many of the young pilots first went to work for what was then known as “commuter” airlines. They often worked for more than one “commuter” line while seeking employment at a major. Unlike older pilots who worked for “commuter” or regional airlines, the new generation was not interested in staying put at one carrier. And, there were other differences as well.

They tended to have a more affluent family background than older pilots. Since most lacked military training, their initial flight training was often subsidized by their parents. In a detailed study of ALPA small jet pilots, many indicated they had been civilian flight instructors before landing their first airline job. Like young workers in other occupations they had high expectations, short time lines and an intrinsic sense of entitlement. As a consequence, it was common for this age group to refer to their initial pilot experience as having flown “through commuter hell.”

Whether they remained with a small jet or regional airline, or made it to one of the majors prior to 9/11, the younger pilots were very militant. Their sentiments went beyond seeing strike preparation as part of the bargaining process. They often also saw it as a means of “gaining respect.”

Another interesting feature of younger pilots is that they have less intrinsic interest in aviation than do older pilots. They were more inclined to enter the industry because they felt it was well-paid, had the potential for rapid career advancement and provided schedules they thought would be attractive. Their initial experience flying for “commuter” airlines failed to live up to these expectations. This caused them to be especially militant early in their careers and to become more so since 9/11.

Airline management may operate on the assumption that pilots are effectively bound to the industry by a psychologically compelling need to fly and by the fact that their educational backgrounds are largely aviation based. Poll results indicate that this was certainly true of the then-oldest generation of pilots in the late 1980s and still appears true among pilots aged 56 or older. The Wilson Center recently completed an in-depth study of ALPA members' views of the Age 60 Rule. We conducted both a telephone poll and a web survey on this issue and found very strong support for changing the rule among pilots aged 56 and older and more moderate support among those aged 51 to 55. Nonetheless, a majority of all ALPA members opposed changing the rule.

One of the questions we asked in those studies was the age at which a pilot wanted to retire. Among pilots 40 and younger 1/3 said they planned to leave the piloting profession before age 60. We have asked more specific questions regarding the career plans of pilots in studies conducted at individual carriers. About 15% of young pilots indicate a strong likelihood of leaving the industry within 5 years. Their reasons include the fact that their educational background provide other career paths that the feel would be more rewarding (about 40% of young pilots indicate they have B.A.'s or advanced degrees in areas unrelated to aviation.) Many of the pilots considering a career change also note that their families have businesses in which they could find both employment and an equity stake. Another motivation is that many young pilots have working spouses who earn more than they do – this is both a source of some frustration and an impetus to seek better paid employment. The most compelling motivation, however, is the perception that choosing to be a pilot was a “mistake” and that they are young enough to make a change before it is “too late.”

The youngest generation of flight attendants and pilots entered the airline industry during a boom period. They had very high expectations both economically and in terms of the quality of life. Their low seniority limits their attachment to the industry. The bargaining environment since 9/11 provides few incentives to stay for the long term. Many young flight attendants have college degrees and many young pilots have educational backgrounds unrelated to aviation. Many young pilots entered the airline industry because of reasons other than a love of flying. Other sectors of the economy offer better compensation and career advancement at present. In addition to the other challenges facing airline management, an exodus of young workers appears a distinct possibility.

There may also be a larger than anticipated number of departures among older pilots and flight attendants. Both groups say that current scheduling practices are unsustainable for the long term. Pilots, in particular, are reporting high levels of “unreasonable stress and fatigue” at the end of flights. While senior pilots and flight attendants have a stronger attachment to the industry, they also have alternatives.

Polls among flight attendants in 2004 and 2005 found that about 1/4 of those in their late 40s or early 50s were considering either a career change or retiring earlier than they had previously planned. They often commented that their decision was contingent on when their children completed college or when their spouse retired, or that they were thinking about working in a growing industry, like selling real estate.

Among pilots in their late 40s and early 50s, we also received comments about leaving the industry, but for a different reason. A significant minority of pilots have business or professional interests other than aviation. Real estate development, rental properties and operating a franchise were the most common outside interests we identified in a national study for ALPA conducted in early 2000 regarding financial planning services. Other areas, although less frequently mentioned, included being an attorney, an engineering consultant or a financial planner or stock broker. About 25% of pilots in their late 40s or early 50s indicated some outside business or professional activity.

Changes in scheduling and work rules since 9/11 have increased the number of days spent flying or commuting. As a consequence, in late 2004 we began to receive comments to the effect that some pilots felt they needed to make a choice between flying and their other income-producing activities. The elimination of a number of defined benefit pension plans may provide a further disincentive to staying in the airline industry.

The notion that older flight attendants and pilots may leave the industry is still speculative. Their comments in our polls may be sincere but not feasible. Or, they simply be “venting.” The potential for an exodus by those in their 20s and 30s, however, is much more compelling.

Potential for Labor-Management Partnership Agreements

At first blush, the current views of pilots and flight attendants toward management would seem to offer little potential for partnership agreements. Nor do most flight attendants and pilots feel that management wants such arrangements. The mood of labor and management during bargaining and especially subsequent to concessionary agreements has been mutually contentious. The trend in the studies we have conducted since 9/11 shows the situation is getting worse. There are only two carriers where poll results show that pilots or flight attendants feel like stakeholders. At the rest, contract compliance has become significantly worse over time. Those that have granted concessions and had these lowered standards violated feel cheated. Pilots and flight attendants have lost confidence in management – both with respect to honoring the agreement and in terms of being able to formulate and execute a viable business plan. The shift in sentiments among pilots has been especially pronounced. Pilot groups that had operated within a formal partnership arrangement or had done so on a de facto basis are no longer willing to do so.

In some cases, lopsided majorities of pilots or flight attendants have voted to strike bankrupt carriers in response to management reorganization plans. Some may view this as union “posturing”. But, our poll data show that broad rank-and-file pressure on union leaders to “just say no” has been building for a few years. Along the same lines, the ratification ratio and turnout in votes for concessionary contracts has been dropping since mid- 2004.

Ironically, the very divisiveness that is a deterrent to partnership agreements is a compelling reason in favor of a change of direction. The singular historical constant of the airline industry has been its cyclical nature. At some point the airline industry will regain pricing power and return to profitability. Under present circumstances, it is highly unlikely that unionized employees will wait patiently for an amendable date which could be several years after the first indication of profitability and then be willing bargain for more several years. A more likely scenario is that they will begin to press for improvements via LOA’s the moment their company turns a profit. Management could respond by sharing profits or by refusing to bargain until the amendable date. In this latter case, employees who had “opened-up” agreements to grant concessions would be intensely angry. Those who granted concessions during Section 6 negotiations and agreed to long contract durations would follow suit.

Absent a quick and substantive change in labor-management relations, the airline industry could experience a wave of labor disputes that would dwarf prior experience. The Railway Labor Act would initially shield airlines from full-scale strikes, but not from other forms of self-help that are legal at any time.

The airline industry has the highest union-density of any economic sector in the US. Unionism is firmly entrenched. To the extent that any of the airline unions’ representation status has been challenged since 9/11, the dissident group’s goal has been to replace the incumbent union with a more militant organization. There has been no effort by airline employees to oust their union in favor of a union-free environment. Thus far, efforts to change representation have been sporadic. But, there are law firms and labor consultant that specialize in this activity, focus on the airline industry and been involved in the efforts to date to oust incumbent unions. One of the rationales they have offered to dissident union members is that a change in representational status could provide the basis to abrogate the existing agreement and trigger new bargaining. When profits return, there could be more efforts by unionized employees to change their representation status and demand bargaining over a new contract.

In the shorter run, there is the question of how much value a partnership arrangement provides airlines in terms of customer service and operational efficiency. In a marketplace that is largely undifferentiated by price, passengers can and do differentiate between airlines that have high employee morale and those staffed by angry and demoralized workers.

Informational picket lines and other forms of legal self-help affect bookings and repeat business. An exodus of young flight attendants and pilots, and perhaps some older co-workers could add significantly to training costs, limit growth and diminish potential profits.

Objectively, a continuation of the current divisiveness between airline labor and management serves neither party's interests. Moreover, the trend in our data indicates that a continuation of the present approach will lead to even higher levels of animosity over the next few years.

Based on the experience in other industries that have had economic declines and widespread concessionary bargaining, there are several fundamental points of agreement that would facilitate partnerships between airline labor and management:

- A mutual agreement that such partnerships are desirable
- A mutual commitment to honor contracts
- A mutual commitment to refrain from retaliatory actions
- Identification of common concerns
- Identification of areas of potential mutual gains
- Willingness to change
- Open and frequent dialog

Following are the carriers at which the Wilson Center has conducted bargaining unit specific studies since 9/11/2001. These are in addition to national membership studies conducted on behalf of AFA or ALPA.

Pilot Bargaining Units

ABX
AirTran
Alaska
Aloha
American Eagle
America West
ASA
Astar (DHL)
Ata
Atlas
Comair
CCair
Champion
Continental
Delta
FedEx
Hawaiian
Independence (Atlantic Coast)
Kitty Hawk
Mesa
Mesaba
Netjets
NWA
Piedmont
Pinnacle
PSA
Skyway
Skywest
Southwest
Spirit
Trans State
United
USAIRways
XJT (Continental Express)

Flight Attendant Bargaining Units

Alaska
AirTran
Alaska
Aloha
American Eagle
Hawaiian
Mesaba
Midwest Express
United
USAIRways