Aviation Subcommittee of the House Committee on Transportation and Infrastructure

"Oversight of Working Conditions for Airline Ground Workers" Testimony of Russ Brown, CEO RWP Labor January 15, 2020

Chairman Larsen, Ranking Member Graves, and distinguished sub-committee members thank you for having me here.

My name is Russ Brown I am a retired airline employee with 25 years of service. I have worked in airline operations in both above wing and below wing capacities. I have done most of the jobs we are talking about here today; I've worked below the wing in lavatory service, water service, baggage handling, and air freight and above the wing as a ticket counter agent, gate agent, and passenger service agent. I am now a labor relations expert with hundreds of cases to my credit. My experience spans working in the jurisdictions of the National Labor Relations Act and the Railway Labor Act. I am proud of the fact that I started my professional life driving the lavatory services truck, or what we affectionally called the honey wagon. The experiences gained in that job, and the other positions I previously mentioned, gave me character and an appreciation of teamwork I value today. Although I did not make a lot of money in the entry level position, I appreciated the job, grew and prospered. I am here solely representing myself and not on behalf of any airline or airline vendor.

My testimony will focus on what I perceive this hearing to be about, as it covers several different topics listed below:

- 1. Tarmac safety as it relates to staffing and environment.
- 2. Economics of Airline Vendors and Regional Airlines in small, medium and large markets.
- 3. Railway Labor Act and unions who are frustrated about how negotiations work through the National Mediation Board.

The tarmac, which we commonly refer to as the ramp, while it can be a hazardous environment and has a specific flow to its operation. Imagine yourself working where you are deprived of one of your five senses. You are wearing earmuffs that

are required Personal Protection Equipment (PPE) to protect you from hearing loss. Some of you from time to time may want to wear hearing PPE's in this very room. Every piece of equipment is staged and moves in a preset fashion. Airplanes always have the right of way. The ramp is monitored and kept clean, as even a small bolt can be sucked into a jet engine causing damage.

These challenges are known and airlines account for and train for them with safety as the primary focus. The number of personnel it takes to work on a plane from taxi-in to push out is based on time and equipment size. For example, an Airbus A320 carries approximately 240 passengers while an Embraer 145 carries approximately 50 passengers; each will have different staffing requirements. In an industry where on-time performance is measured and subject to public criticism or potentially fines, staffing properly is essential.

Most airlines operate what is known as a hub and spoke route system. Different airlines have picked high volume cities to be their hubs. The major air carriers may have several hub cities within their route system. For example, an airline may have a market to transport passengers from Columbus, OH to Seattle, WA. However, there may not be enough passengers originating in Columbus to justify a non-stop flight to Seattle. But an airline can fill a plane in Columbus with passengers going to Seattle and several other locations they serve around that same time period. The airline will then fly the Columbus originating passengers to a hub city where the airline has lots of other planes coming from many small, medium, and large market originations and connect to planes that will fly them to their final destination, including Seattle in this example. The hub cities can be a thriving robust operation, whereas the small markets may not have enough business to staff a full complement of ground employees. Therefore, the airlines rely on subcontractors and/or regional airlines to fulfill the operation. You should note there are some markets so small that they would not have air service but for Federal subsidy under the Essential Air Service program.

We are currently in a time where we are enjoying the best unemployment rates in our nation's history, with a topline figure around 3.5%. Therefore, the demand for employees is very competitive. The market for employees will generally find its own value. Earlier, Dr. Callaci spoke on the negative impact of outsourcing. Dr. Callaci uses a report he authored, "Fissuring in Flight" as evidence. After

reviewing the report and backchecking some of the data presented, I found his body of work to be unpersuasive, overgeneralized, and, at times, misleading.

For example, the report states that there are only 25,000 "legacy" pilots at American, Delta, and United. In reality, that only counts pilots operating domestic routes, ignoring the 13,000 other pilots who operate international flights. It also ignores the more than 20,000 pilots who work for the other five largest airlines in the country. And it ignores the ever-growing demand for pilots in all industry segments, including regional, cargo, and mainline. For example, Delta Air Lines announced it is planning on hiring and training 1,300 pilots this year and 8,000 over the next decade.

Additionally, the report discusses the contracting of American Airlines wheelchair pushers in Miami. Unfortunately, simple chronology does not fit with the underlying narrative. The report suggests the wheelchair pushers were contracted out to save money and then brought back in house when a living wage ordinance was implemented to take advantage of the airline exemption in the ordinance. Here are the facts: in the 1990's, American Airlines made a decision to outsource wheelchair pushing services in their Miami operation. The contract was awarded to a vendor Eulen, which later became subject to "Miami-Dade Living Wage Ordinance implemented in 1999. This ordinance was for airport vendors and exempted the airlines. American operated under this construct for 20 years until contract performance issues prompted it to put the contract out for bid in 2019. The contract was awarded to American's subsidiary, Envoy Airways, which has been unionized by CWA. In other words the contract went from a non-union company (Eulen) to a unionized company (Envoy).

The report's discussion about total air transportation employment is also misleading as it proports to be discussing the outsourcing of the jobs we are talking about today. In reality the category used in the report, "Support Activities for Transportation," excludes baggage handlers, caterers and janitors. That category is defined as employees "...engaged in providing services to the air

transportation industry", which include services relating to airport operations, servicing, repairing, maintaining and storing aircraft and ferrying aircraft. The more appropriate category to use would have been NAICS code 488119, which counts employees of "establishments primarily engaged in (1) operating international, national or civil airports or public flying fields or (2) supporting airport operations, such as rental of hanger space and provide baggage handling and/or cargo handling services." Additionally, food services at airports are classified under NAICS code 722310 while aircraft janitorial services are classified under 561720.

There are many more such inaccuracies in the report. I take no pleasure in disparaging anyone's hard work, but I do not believe inaccuracies should be shared with this Committee. Additionally, I would caution reliance on this report by this Committee for the purpose of taking any kind of legislative action without a more comprehensive assessment of the its validity.

Labor relations in America's railroad and airline industries are regulated under the Railway Labor Act (RLA). The Act was passed by Congress in 1926 and expanded in 1936 to include airlines. In order to avoid disruptions to America's transport network through strikes and other kinds of work stoppages, the Act imposed mandatory mediation and gave the president the ability to order workers back to work. Like the National Labor Relations Act (NLRA), the RLA allows for unions to organize workers for the purpose of negotiating a collective bargaining agreement as the workers' exclusive representative.

However, while the NLRA allows unions to organize on a location-by-location basis, under the RLA, a bargaining unit must include all the workers of the same classification throughout an entire company. Railways and airlines are network industries, with capital investments stretching across several states or even the entire nation. By requiring unions to organize on a companywide basis, the RLA helps to avoid the creation of a patchwork of work rules that piecemeal unionization at specific facilities would bring. Balkanized work rules detract from the standardization and economies of scale upon which network industries rely. "Right to Work" does not exist under the RLA and until recently there was no mechanism for airline and railroad employees to decertify a union. The previous Administration changed the voting rules in how votes were counted to allow

easier unionization. While Congress did not ultimately reverse that rule, it did restore some balance to the unionization process in 2012, leaving the RLA as a solid foundation on which our national transportation systems can depend.

In conclusion, I urge you to concentrate on the following facts:

- 1. Ramps are dangerous and airlines should never cut corners with safety and should always be looking for a better way. Airlines may have a solid grasp on what it takes to continue safe operations, but when tragedies happen like what happened to young Mr. Hudson, the question "is there a better way" should be closely examined.
- Outsourcing and regional airlines are highly important pieces in America's air transportation network. They are not replacing mainline jobs but rather filling jobs that would likely not exist otherwise but for outsourcing.
- 3. The RLA is the law of the land to protect employee rights and ensure America's commerce continues without disruption.
- 4. Finally, although I did not discuss this earlier, corporate campaigns have become the model and practice of labor unions like the Service Employees International Union and Unite Here. Such corporate campaigns typically involve generating negative media or public attention against a company, often using accusations with government agencies or officials, especially during ongoing labor negotiations or disputes. In cases where a company is a sub-contractor, the negative attention is usually directed against the better-known contracting company, like an airline, to increase union leverage at the bargaining table. The system only works if both sides live up to their legal obligation to negotiate in good faith, and the NMB must continue to do its job and mediate to a resolution. In my experience, if "self-help," which is the terminology that the RLA uses for a strike, does occur, there are no winners.

Thank you and I'm happy to answer any questions you may have.