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April 23, 2010

Dear Representative:

The Air Transport Association (ATA) is circulating a paper urging members of Congress to oppose H.R. 4788, the Aviation Jobs Outsourcing Prevention Act. ATA's paper is replete with inaccurate and/or misleading statements.

Several of ATA's statements suggest that the bill is designed to interfere with airline alliance arrangements and U.S. government efforts to open aviation markets. These suggestions are not accurate; the bill is not intended to do either. In fact, the Air Line Pilots Association (ALPA) as a general matter supports the opening of aviation markets and the development of business alliances. What ALPA does look to is whether air service agreements and alliance arrangements are likely to create employment opportunities for U.S. airline workers. The U.S. aviation statutes state that air service negotiations are to promote the public interest and establish the promotion of fair wages and working conditions as an element of the public interest. H.R. 4788 simply advances this policy goal by saying that U.S. workers are to do a fair share of the jobs that are subject to revenue sharing/pooling arrangements between U.S. and foreign airlines.

The ATA also states that airline employees can not afford "this kind of meddling in business arrangements" and asserts that H.R. 4788 would hurt airlines employees and result in fewer jobs. Again, ALPA - and presumably most U.S. airline employees - support business arrangements that result in more jobs for U.S. workers. But the new revenue sharing/pooling arrangements that are now being developed between U.S. and foreign airlines eliminate the incentive for a particular carrier to do the alliance flying. Absent this incentive, a U.S. carrier could elect to participate in the revenue sharing/pooling arrangement without doing any of the flying.

Ultimately, the U.S. could find its carriers allowing foreign carriers to do all, or the bulk of, the international flying in the alliances. Not only would the quality jobs this flying represents be lost to U.S. workers, but the U.S. could find that its carriers are operating fewer of the widebody large aircraft that support national security efforts such as the Civil Reserve Air Fleet (CRAF).

ATA refers to the substantial economic losses the airline sector has experienced over the past decade. No one has felt the pain more than airline employees. United pilots gave up 42 percent of their wages, had their defined benefit pension plan terminated, and saw their health care benefits radically reduced during United's bankruptcy. By contrast, United CEO Glenn

Tilton, who also serves as the Chairman of ATA's Board of Directors, was awarded a \$40 million bonus during this period. Ironically, it was reported just this week that Mr. Tilton's pay more than doubled to \$3.9 million last year and that he received such perks as \$35,000 for the use of a company car and \$34,000 for financial planning.

Finally, ATA asserts that the collective bargaining process is the place to address job off-shoring issues. But U.S. carriers often vigorously oppose collective bargaining provisions that protect the jobs of U.S. airline employees on international routes. Moreover, contract protections are subject to being jettisoned in bankruptcy, leaving airline employees without protection against job outsourcing. This is just what happened to United's pilots when their company went through bankruptcy earlier this decade.

H.R. 4788 is a bi-partisan, sensible approach to limiting the off-shoring of U.S. jobs at a time when our nation has millions of unemployed citizens. It does not prohibit business arrangements between U.S. and foreign airlines, but rather ensures that U.S. workers receive a fair share of the jobs created by those arrangements. On behalf of the 53,000 members of ALPA, I urge you to support it.

Sincerely,

John H. Prater, President