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Airline Labor Showdowns Unlikely Anytime Soon

By Scott McCartney

Both American and United airlines have major labor negotiations underway, but travelers don't need to worry about any major flight-disrupting showdowns anytime soon. The National Mediation Board isn't going to let that happen.

That's the view of two long-time airline industry labor experts, one on each side of the bargaining table. At a recent American Bar Association aviation conference, Russ Bailey, senior attorney at the Air Line Pilots Association, and Jerry Glass, a longtime negotiator for airline management, both said the Mediation Board is unlikely to set up any major labor confrontations while the economy is weak.

"The reality is our economy is in such a fragile state that the notion of the Mediation Board rushing through and creating the potential to put 70,000 or 80,000 people out of work — I don't see it," said Mr. Glass.

Airline industry labor disputes almost always fall to federal mediators to try to resolve once the two sides reach an impasse. Strikes or lockouts can happen only after the Mediation Board releases both parties into a 30-day cooling off period. Even then strikes can be averted by presidential intervention.

By all accounts, several of the major unions, including pilots, at both AMR Corp.'s American and UAL Corp.'s United are far apart in negotiations. Airline workers took huge pay, benefit and retirement cuts after the 2001 terrorist attacks and are itching to get some of it back. You can see the bag tags on crew bags at airports, slogans like, "We're worth it."

Large bonuses handed to CEOs and other managers ratcheted up tensions at big airlines, including American and United.

But none of that means travelers will have to be on the lookout for a showdown that could lead to widespread delays, cancellations or even shutdowns.

"The board will only use cooling off when it's close enough to get a resolution," predicted Mr. Bailey.

Mr. Glass thinks it's all about the economy. "The Mediation Board will be careful to not do anything to make this economy go backwards," he said. "You'll see a lot of care being taken before anyone gets in that situation."

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