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Now Showing: The Truth About the Cost of AA Flight Attendants

Airline Economist Debunks AA's Claims at www.youtube.com/aflightattendants Flight Attendants Insist On Fair Contract

Washington, DC — As Flight Attendants renew bargaining with American Airlines negotiators for five days at the National Mediation Board, they are challenging the credibility of management's continued claims that they are the highest paid and least productive in the airline industry.

To refute the airline's spurious claims, the Association of Professional Flight Attendants (APFA), is releasing a series of videos that feature the analysis of veteran airline economist Dan Akins, who told Flight Attendants during membership meetings over the last month that American Airlines is deliberately miscalculating labor costs. Instead of using the industry standard – Cost per Available Seat Mile (CASM) -- to calculate cost and productivity, the company uses paid hours at maximum schedule to inflate labor costs. Rarely do Flight Attendants at any airline work maximum schedule.

“CASM is used by every single airline analyst, bankruptcy judge and parties on both sides in contract talks,” Akins told Flight Attendants. “I've been involved in many negotiations in the airline industry and even American's past negotiations with Flight Attendants have been focused on cost per seat mile.”

Akins shows American's claim is further skewed by management's marketing decision on international service. With fewer seats, more classes of service and higher staffing levels for premium service, international flights have higher labor costs, but, incidentally, bring in more profit. Domestically, AA Flight Attendants rank only 5th in pay among 11 major airlines.

The video also documents the windfall of \$335 million in bonuses American executives have taken from 2006-2009, while Flight Attendants continue to make concessions -- \$2 billion since 2003. Last month, top executives once again rewarded themselves millions in bonuses one day after reporting a wider than expected earnings loss for the first quarter of 2010.

Flight Attendants and American have been mired in contract negotiations for more than two years. The union has asked the NMB for release from negotiations as the company continues to ask for more concessions. Among the key outstanding issues are compensation and benefits. The Transport Workers Union recently reached tentative agreements with American for three work groups.

“The numbers are indisputable, but management ignores them and puts unreasonable and unacceptable proposals on the table” said APFA President Laura Glading. “With the recent TWU tentative agreements, we remain hopeful there will be a major change in American's tenor at the table. But we have different issues than the TWU groups, and management must come to grips with that fact.”

APFA is the nation's largest independent Flight Attendant union representing nearly 18,000 American Airlines Flight Attendants. www.apfa.org