



## US Airways reservation jobs may be outsourced

### Union representing 6,000 workers authorizes strike

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By Dan Fitzpatrick, Pittsburgh Post-Gazette

Bankrupt US Airways wants to cut its reservations staff by 800 people and farm out the work somewhere else, according to a top official with the Communications Workers of America.

The proposal, made to CWA negotiators on Tuesday, would leave the airline with about 1,000 unionized reservation agents, said Chris Fox, president of CWA Pittsburgh Local 13302, one of several union officers who met with the airline. Financially troubled Delta Air Lines and United Airlines already outsource hundreds of telephone-reservations jobs to India, cutting positions in the U.S.

US Airways has not told the CWA where the cuts would occur, nor has it said anything about taking jobs overseas, but any losses are likely to hit hard in the Pittsburgh area, where 850 people take reservations over the phone from a Green Tree office building. Another 950 reservationists work in Winston-Salem, N.C.

The CWA is fighting the proposal. "We can't go for outsourcing," Fox said, adding that the 800 cuts represent "half of our group."

US Airways, trying to survive its second bankruptcy, is seeking \$136 million in annual concessions from the CWA, which represents employees that sell tickets, handle reservations, search for lost baggage and make certain that unaccompanied children get safely aboard their flights.

In addition to outsourcing, the nation's seventh-largest carrier is asking the CWA's highest-paid workers to take an 18 percent pay cut -- down from the cuts it requested in earlier proposals. CWA negotiators are willing to take a 15 percent pay cut, but have not agreed to outsourcing and job losses.



#### US Airways Watch

■ US Airways was expected last night to inform a U.S. Bankruptcy Court judge what airplane leases it intends to reject or renegotiate. In a filing earlier this week, the airline identified 28 leases that could be rejected, including 19 Boeing 737s, three 757s and three 767s.

■ Independence Air, which flies from Washington, D.C., to Pittsburgh eight times a day, acknowledged in a regulatory filing that it may file for bankruptcy if it is unable to renegotiate \$83 million in jet lease payments due in January. The airline, which flies 50-seat regional jets and charges fares as low as \$29 one way, is blaming its predicament on high fuel costs and fierce competition from larger carriers.

Asked yesterday about the proposed 800 job cuts, US Airways spokesman David Castelveter said only, "We are making great progress in our negotiations with the CWA."

But the union's 6,000 rank-and-file members issued a stark warning to the company yesterday, authorizing a strike "or other legal work action" if labor leaders are unable to reach a "fair, equitable" agreement with US Airways. Eighty-six percent of the members voted for the strike option in ballots mailed out two weeks ago and counted yesterday.

The CWA is the second group to be informed about specific job losses. The International Association of Machinists was told two weeks ago that the company wants to cut 2,800 of its workers by outsourcing the work. One union negotiator estimates that the Pittsburgh area could lose 2,000 jobs as a result. The company's \$220 million cost-cutting offer would eliminate 1,000 airplane cleaners and leave the company with about 1,700 unionized mechanics, ground support personnel and stock clerks.

The airline is also seeking \$100 million in cuts from IAM-represented baggage handlers and \$155 million in concessions from the flight attendants union. It already has secured agreements on \$306 million in cuts from the pilots, dispatchers, flight crew training instructors and flight simulator engineers.

Without consensual deals from its holdout unions, US Airways is expected to ask a bankruptcy judge next week to abrogate their contracts, beginning a process that could last as long as 51 days. The IAM, along with the CWA, is discussing the possibility of a strike if the judge throws out the collective bargaining agreements.

"The pressure is on the company to make it palatable so they can get an agreement, so they don't have to fight us in a strike situation," Fox said.

But Castelveter, the airline spokesman, warned that the two sides are still obligated to negotiate, even if the judge is asked to throw out the contracts.

"There is no immediate right to strike," he said.

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■ Allegheny County Airport Authority Director Kent George said yesterday that "again, we're being held hostage" by US Airways, which has until April 30 to decide which airport leases it wants to reject, according to a U.S. Bankruptcy Court decision this week. George said he wanted US Airways to make up its mind sooner "so we can make plans for the future."

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