America West Airlines fined for 41,000 safety violations

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The Federal Aviation Administration has settled a safety complaint against America West Airlines after the Arizona-based airline agreed to pay $2.5 million in a civil penalty while not making any admission of wrongdoing. The FAA agreed to waive another $2.5 million in penalties provided the airline complies with an agreement to change its maintenance procedures.

The dimensions of the alleged violations of safety regulations are staggering. According to the FAA, 17 America West Airbus A320 jets made 41,000 flights after they were overdue for structural inspections. Airbus Industrie, the European manufacturer of jetliners, notified airlines in 1994 that the A320 jets needed structural inspections of the cargo doors, but America West did not carry them out for two years.

Other violations charged by the FAA include allowing 737 and 757 jets to take off with their cargo improperly secured and putting a 757 jet into service without making a required repair.

While the penalty paid by America West was headlined in the US media as the largest fine in US aviation history, the $2.5 million fine is barely a slap on the wrist for an airline which made record profits of $75 million in 1997.

Given the large number of violations, the fine averages a little over $50 per violation. In other words, the airline is paying less of a penalty for potentially putting hundreds of lives at risk than an ordinary motorist would pay for a traffic ticket.

The cozy relations between the FAA and the airlines it is charged with regulating were exemplified in the language of the agency's press release, which emphasized the 'positive manner in which the carrier's management team responded to the allegations.'

The settlement was announced on the day of a Senate hearing on legislation, introduced by Arizona Republican John McCain, which would award America West 12 of the 24 new landing slots at Washington's National Airport.

America West has followed in the footsteps of ValuJet and other startup airlines which have gained niches in the industry by outperforming their rivals in cost-cutting. In 1997, according to the company's annual report, it reduced its operating cost per available seat mile by 2.2 percent over 1996, to 7.27 cents, 23 percent less than the average for other domestic airlines.

The company had the highest aircraft utilization rate in the industry, operating its 102 jets an average of 12.3 hours per day, up from 11.8 hours in 1996. It cut its labor costs per seat mile from 1.97 cents in 1995 to 1.77 cents in 1997, mainly by eliminating the jobs of 500 mechanics who performed heavy aircraft maintenance. This work was contracted out in December 1995, and the mechanics fired.

The violations alleged by the FAA included problems with procedures at the contract maintenance bases, and America West agreed to better supervise its subcontractors as part of the settlement of the complaint.

America West's treatment of the mechanics is typical of labor relations in the airline industry, going back to the mass firings of the PATCO air traffic controllers in 1981 by Reagan. Since then airline after airline has broken strikes, fired workers and subcontracted jobs virtually at will.

The insignificant penalty imposed on America West also contrasts sharply to the fate of PATCO and its members. The union was dissolved in bankruptcy under the burden of strike-related fines, and the strikers were blacklisted for a dozen years. Only a handful ever returned to work in the air traffic control towers.

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