

Southwest Airlines gives ultimatum to workers: wage cuts or furloughs in 2021

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Southwest Airlines, the fourth largest airline in the US, is using the threat of furloughs as it attempts to impose a 10 percent pay cut on its workforce. Last week, the company ramped up its campaign of intimidation by sending out Worker Adjustment and Retraining Notification Act (WARN) notices to an additional 403 employees who would be furloughed in January if employees did not accept the concessions.

The total number of threatened job cuts was revealed in remarks by Southwest CEO Gary Kelly on Oct. 22 when he said, “Right now, in just very raw numbers, we’re roughly 20 percent overstaffed.” The layoffs would be the first in the history of the Dallas-based airline.

The airlines were handed \$25 billion as part of the CARES Act bailout of major corporations and Wall Street. On Sept. 30, the prohibition on airline layoffs contained in bailout expired, leading to tens of thousands of layoffs including 32,000 job cuts at American Airlines and United Airlines.

Since Oct. 1, the share price for Southwest has shot up by 20 percent largely due to the anticipation of pay and benefit concessions and other cost-cutting measures.

There are 49,614 unionized workers—or about 83 percent of the workforce—at Southwest. Far from opposing the company’s ultimatum, the unions have agreed to Southwest’s request that they survey their members on whether they would prefer wage cuts or mandatory furloughs. The Transport Workers Union (TWU) Local 556 has sent out the blackmail “survey” to 15,839 flight attendants and has announced that it would soon release the results.

Company spokesperson Brian Parrish said, “Southwest thanks union representatives for engaging in these discussions and helping the airline think creatively about potential solutions to save costs.”

The cuts supposedly last only until the end of 2021 but could go longer based on a loophole that states

“unforeseen and uncontrollable circumstances” could lead to cuts continuing past next year and even include additional furloughs.

With anger growing among workers over the clause, the Southwest Airlines Pilots Association (SWAPA) issued a statement late last month, saying, “That language is wholly unnecessary as SWAPA pilots will work collaboratively on solutions that are favorable to both parties, just as we have always done at Southwest Airlines, should ‘unforeseen or uncontrollable circumstances’ arise.”

On social media airline workers denounced the company’s demands. One said, “Hope our NT (negotiation team) hears us. NO CONCESSIONS.” Another worker shared remarks that revealed their frustration, “I live on less than 45k a year. Why am I being asked to subsidize millionaires?”

Airline workers will have to take the conduct of the struggle in their own hands by building rank-and-file committees, independent of the unions, which have spent decades selling out strikes and collaborating with corporate executives and financial asset strippers in decimating the jobs, wages, conditions and pensions of airline workers.

The unions, while opposing any strikes to stop layoffs and wage-cutting over the past several months, have joined management in urging Congress to hand over another \$25 billion to the airlines. Meanwhile, Sarah Nelson, the president of Association of Flight Attendants-CWA and a member of the Democratic Socialists of America (DSA), admitted last month that half of her union’s 50,000 members at 20 airlines were out of work and without income and health benefits.

Southwest is seeking to slash labor costs to position itself for next year in anticipation of the coronavirus vaccine distribution that could spur an increase in domestic travel—the company’s main business.

In an effort to attract customers, Southwest's rival Delta announced last week that it would extend the blocking of the middle seats on its planes from Jan. 1 through March, but Southwest will stop the practice by Dec. 1.

The US Centers for Disease Control (CDC) announced last week that Americans should avoid traveling during the holiday season to help stem the rising cases of COVID-19. Nevertheless, the Transportation Security Administration reported that more than three million people passed through airport security checkpoints between Friday and Sunday, making it the busiest travel weekend since March.

The major airlines, however, have been unable to replace their most profitable business travel segment by drawing more leisure travelers, and international travel has been crippled by the mandatory coronavirus quarantines.

As Delta Air Lines CEO Ed Bastian said, "With the US hitting a grim milestone of 10 million positive cases and outbreaks in Europe and other parts of the world, all signs point to a challenging winter ahead."

At the same time, it is clear that the airlines are using the pandemic to implement far-reaching restructuring plans long in the making and ensuring that workers, not wealthy shareholders, pay for the crisis. Industry group Airlines for America announced that as a result of the collapse of air travel the US airlines have shed 90,000 of the 460,000 jobs they had in March, a 20 percent reduction.

The jobs massacre is taking place throughout the global airline industry, making necessary the rejection of nationalism and adoption of an international strategy to coordinate the struggle of airline workers around the world.

A counteroffensive by workers against job and wage cuts must be combined with a struggle to transform the giant airline monopolies into public utilities so that jobs and living standards can be protected and the public provided with affordable, safe and comfortable transportation.



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