

FTAA
 COMMITTEE OF GOVERNMENT REPRESENTATIVES
 ON THE PARTICIPATION OF CIVIL SOCIETY

Cover Sheet

Name(s)	Patricia A. Friend, International President
Address	Association of Flight Attendants (AFA), AFL-CIO 1275 K Street NW, Suite 500 Washington, DC 20005
Organization	Association of Flight Attendants
Country	USA

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Executive Summary — 2 Pages maximum — (See Open Invitation):			

**Executive Summary - September 30, 2000 Submission of
Patricia A. Friend, International President
Association of Flight Attendants (AFA), AFL-CIO
to the
Chairman of the Committee on Government Representatives
on Civil Society Participation - c/o Tripartite Committee (Ref. Civil Society)
United Nations Economic Commission for Latin America & the Caribbean (ECLAC)**

1 Continuation of Derogation. Aviation traffic rights and related services should be excluded from the Free Trade Area of the Americas (FTAA) negotiations process. The derogation contained in the World Trade Organization's (WTO) General Agreement on Trade in Services (GATS) should be maintained in any Western Hemisphere agreement.

The FTAA is designed to foster trade liberalization, both globally and regionally, to generate economic growth and prosperity in the Hemisphere. For aviation, market liberalization is only one of the important rationales for an international rules-based system. National security is the primary responsibility of every nation state. To this end, NATO limits air travel to areas under its command and the US prohibits flights to specific areas and peoples or political groups. The US military defense posture depends on the availability of the US commercial aircraft and US personnel in the Civil Reserve Air Fleet (CRAF). Secondly, air safety and security regulatory standards are designed to prevent accidents and incidents, injuries and loss of life. The US International Aviation Safety Assessment Program (IASA) was inaugurated in the early 1990s to ensure that foreign carriers operating to or from the US were properly licensed in accord with the standards of the International Civil Aviation Organization (ICAO).

But nearly ten years later, in 2000, more than 20 countries do not meet these standards. Over half of them are in the FTAA area: Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Nicaragua, Paraguay, Suriname, Venezuela and the Organization of Eastern Caribbean States (OECS) which includes Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Lucia, St. Vincent and the Grenadines, St. Kitts and Nevis.

An international rule-based system regulating aviation services cannot be separated from these foreign policy, national security, aviation security and international safety interests of individual nations. These appropriate concerns are protected by the system created by the 1944 Chicago Convention. It provided that ICAO would come into existence when ratified by 26 states, which happened in 1947. That same year the United Nations (UN), the international entity similarly charged with international safety and security responsibilities, and ICAO formalized their special relationship. In addition, these nation state concerns are enshrined in US labor law covering aviation workers and in the Civil Reserve Air Fleet (CRAF) program for US military preparedness.

2-Market Access. Access to aviation markets has increased substantially in the last 20 years using traditional methods to enhance market access - the bilateral agreement process. Governmental ownership of and financial assistance to airlines is being phased out throughout most of the world in response to market conditions. In the years following US deregulation, bilateral regimes have been negotiated to permit generally greater and greater access. In the last six years, the US has negotiated over 70 new progressive agreements including over 40 Open Skies bilaterals.

Many of the most serious remaining impediments to market access stem from non-governmental causes - natural or practical barriers. Like radio services, which are limited by the availability of frequencies, aviation services are limited by the availability of slots and gates at the desired times at the desired airports.

3-Investment. Multilateral concepts like national treatment and most-favored nation (MFN) would tend to foster the removal of limits on foreign investment and cabotage by non-domestic carriers. Most countries set restrictions on foreign investment in their domestic airlines and prohibit cabotage to fulfill their national security and economic development policy objectives. In the US, the labor movement strongly opposes granting cabotage rights to foreign carriers and believes that the domestic control provisions in US law continue to be essential.

4-Civil Society. The interests of US aviation workers are substantially better protected under the current regulatory regime for international aviation than they would be under the FTAA. We are able to significantly affect the outcome of debate in our country as well as at ICAO and in other international safety forums. Labor has a legal right to observe bilateral negotiations. By comparison, the FTAA process has refused to allow any formal role for worker representatives.

In the international aviation arena, workers are considered stakeholders. At ICAO, the International Transport Workers Federation (ITF), which represents over 5 million transport workers worldwide, has official observer status. It meets with ICAO officials and lobbies country delegations. It addresses the ICAO Assembly and secures necessary changes in ICAO policy. The Joint Aviation Authority (the predominantly European JAA) and the US's FAA hold annual conferences where again, workers fully participate as stakeholders.

Labor unions in the US have full access to lawmakers and the press. We make our views known at the city, county, state and Federal level. We have been able to prevent enactment of legislation we feel is harmful to workers and to help pass bills which will protect both workers and the flying public. We also have access to public opinion; we appear on television and conduct events for the press. This ability to influence public opinion disappears in a multilateral process where the issues and procedures are so technical that neither the press nor the public is interested and where the views and needs of civil society need not be taken into consideration.