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Labor standards and airport safety and security

By Ken Jacobs

As Congress considers new standards for the five-year re-authorization of the Federal Aviation Act, a focal point among Congressional leadership from both parties are issues of safety and security.¹ The Biden Administration and Senator Majority Leader Chuck Schumer both identified raising airport workers' wages as a high priority for FAA reauthorization.² One rationale for setting higher labor-standards for airport workers is that "a well-trained, stable workforce at our Nation's airports is critical to ensuring public safety and security."³

The notion of mandating higher labor standards for ground-based airport workers as a means to improve airport safety and security is not new. Almost 25 years ago, in 1999, the San Francisco International Airport created a Quality Standards Program that set wage and benefit standards for airport workers with the specific purpose of enhancing safety and security at the airport. Labor standards policies are now in place at 26 U.S. airports, including 12 of the 20 busiest airports.⁴

Safety and security concerns were frequently cited in the rationales for passing these policies.⁵ For example, in the proposal to create an Airport Minimum Wage Policy by the Port Authority of New York and New Jersey, the Port Authority found:

Virtually every major airport in the United States has grappled with the same set of problems—post-9/11 security imperatives; the need to operate safely in inclement weather; and high workforce turnover. Over and over, throughout the United States, this cluster of problems has been solved in the same way—by raising the minimum wage paid to airport workers, to reduce turnover and to help ensure that workers are appropriately experienced, skilled, trained, and motivated.⁶

In this brief I review the evidence of how airport minimum labor standards promote safety and security.

Airport jobs pay low wages

Ground-based airport operations cover jobs that are essential to the functioning of our nation's airports: cleaners, baggage handlers, wheelchair agents, ramp workers, and concessionaires. Pay in airport operations began to significantly lag pay in other economic sectors in the United States starting in the early 1980s alongside increased use of subcontractors.⁷ Outsourcing enabled airlines to reduce labor costs and improve their ability to reduce the size of the workforce during slow periods.

While ground-based airport labor costs represent a small share of overall costs to airlines, they make up a high share of operating costs for contractors. In the absence of public regulations, airline service contractors keep wages as low as possible in order to compete. Between 1990 and 2012, average weekly wages for airport operations fell in real terms by 14%, while rising across all industries by 18%.⁸ Between 2015 and 2019, half of airport cleaners and more than a third of baggage handlers earned less than the minimum wage for federal contractors of \$16.20 an hour.⁹

High turnover affects airport safety and security

In 2017, the UC Berkeley Labor Center and the San Francisco International Airport released a report summarizing the research on the relationship between wages, turnover, worker performance, and safety and security at U.S. airports.¹⁰ The effect of wages on worker turnover is well documented. In any industry, when wages are low, workers seek out other employment for even a small increase in pay. This leads to greater numbers of inadequately trained and less experienced workers. In the airport context specifically, low wages and high turnover results in a workforce that is less familiar with safety and security procedures, less able to anticipate and identify potential hazards, and more uncertain about where to take their complaints or how to report problems. A less experienced workforce is correlated with greater numbers of accidents and security violations, and may undermine airport security procedures in the event of an emergency.¹¹

In 2014 the Port of Seattle conducted a six-month study of safety and security at the Seattle-Tacoma International Airport. The study found turnover ranged from 25% to 80% per year across employers. They found low pay and benefits to be one of the most important factors causing the high turnover, with uncertain and inconsistent schedules also contributing. Workers were not staying on long enough to achieve "mastery" in their jobs, with negative effects on safety, security, and efficiency. The report found that newer workers were 80% more likely to receive citations for security violations than those with greater experience.¹²

A 2007 report by the Government Accountability Office examining aviation runway and ramp safety procedures pointed to low wages and the resulting high turnover among ramp and fuel workers as a major factor in ramp accidents.¹³

Airport labor standards policies reduce turnover and improve employee performance

There is strong evidence that improving workers' wages reduces turnover and improves employee performance. In 1999, the San Francisco International Airport adopted a Quality Standards Program (QSP) mandating higher wages and creating uniform recruitment and training standards. Reich, Hall, and Jacobs (2005) analyzed the impact of the program on employers and employees at SFO.¹⁴

The QSP covers all employees that work in secure areas of the airport or whose jobs otherwise impact safety and security. This includes skycaps, baggage handlers, wheelchair assistants, fuelers, ticket agents, and airplane cleaners. In the two years after the policy went into effect, airport workers received an average pay increase of 22%, while entry-level wages rose 33%.

Higher wages resulted in lower turnover and improved worker performance. Turnover fell by 34% among all firms and 60% among those firms that experienced wage increases of 10% or more. Nearly half (45%) of surveyed SFO employers reported improvements in customer service, employee morale (47%), reduced grievances (45%), and reduced disciplinary issues (44%), and 29% reported reduced absenteeism. Equipment damage was also reduced. The study found no evidence of employment decline as a result of the wage increase.

These findings were echoed by airline services companies interviewed in the 2014 Port of Seattle study discussed above. Employers reported reduced turnover and improved worker performance in California airports that established wage policies, and noted that the policies "enabled them to compete on quality and performance compared to low cost alone."¹⁵

Conclusion

Airport employees play a crucial role in safeguarding airport security as well as ensuring overall safety by guarding against in-flight emergencies, crashes, and runway collisions. The research literature finds that higher wages reduce turnover, which leads to a more stable and experienced workforce, with more opportunities for training and learning on the job. A more experienced workforce is correlated with more effective safety and security performance. A federal policy setting higher labor standards at United States airports would serve to stabilize and improve pay for ground-based airport workers, reduce worker turnover, and enhance the safety and security of our airports.

Endnotes

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About the author

Ken Jacobs is chair of the UC Berkeley Labor Center.

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