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December 2005 Passenger Airline Employment Down 6.3 Percent from December 2004

U.S. scheduled passenger airlines employed 6.3 percent fewer workers in December 2005 than in December 2004, the 12th consecutive month that full-time equivalent employee (FTE) levels for the scheduled passenger carriers declined compared to the same month of the previous year, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today (Table 1).

BTS, a part of the Research and Innovative Technology Administration (RITA), reported that the December 2004 to December 2005 decline in FTE's was the second largest year-to-year decrease in 2005. It was also the fifth consecutive month with a decline in FTE's of more than 5 percent from the same month of the previous year.

In FTE calculations, a part-time employee is counted as one-half a full-time employee.

Scheduled passenger airline FTE's declined every month in 2005 from the same month in 2004. The last increase in FTE's from the previous year was a rise of 0.9 percent in December 2004, the last of seven consecutive months of increases from previous year (Table 2). Scheduled passenger airlines include network, low-cost, regional and other airlines. These airlines employed 407,000 FTE's in December 2005, the lowest total since at least the beginning of 2003 (Table 3).

The seven network carriers employed 271,000 FTE's in December, 67 percent of the passenger airline total (Table 4). Low-cost carriers employed 17 percent and regional carriers employed 14 percent. The network carriers are the only carrier group to reduce FTE's each December from the previous year since 2001 (Table 5).

American Airlines employs the most FTE's among the network carriers, Southwest Airlines employs most among low-cost carriers and American Eagle Airlines employs the most among regional carriers. Seven of the top 10 employers in the industry are network carriers (Table 6).

Network Airlines

Network carrier FTE's have declined every month since 2001 from the same month the previous year. They declined 8 percent in December 2005 compared to December 2004. The largest year-to-year percentage decline was in April 2002 (Table 7).

Network carrier FTE's dropped from 372,000 in December 2001 to 271,000 in December 2005, a decline of 27 percent (Table 8).

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FTE's at all seven network carriers declined in December 2005 from December 2001. The biggest percentage declines were at US Airways, down 43 percent, a reduction of 15,000 FTE's, and United Airlines, down 34 percent, a reduction of 27,000 FTE's (Table 9).

Network carriers operate a significant portion of their flights using at least one hub where connections are made for flights to down-line destinations or spoke cities.

Data for US Airways and America West Airlines, now in the process of merging operations, are separately reported – US Airways' data are included in the with network carriers category, and America West's in the low-cost carriers category.

Low-Cost Airlines

Low-cost carrier FTE's declined 4 percent in December 2005 compared to December 2004, the ninth consecutive month of decreases from the previous year (Table 10). The 69,000 FTE's employed by the seven low-cost carriers in December are the lowest total since December 2003 and make up 17 percent of the passenger airline total.

Low-cost carrier FTE's were 60,000 in December 2001, 72,000 in December 2004 and 69,000 in December 2005. The increase from 2001 to 2005 is 14 percent (Table 11). Of the airlines operating and reporting in both December 2005 and December 2001, all reported more FTE's in 2005 except Southwest Airlines, down 2 percent, and ATA Airlines, down 44 percent (Table 12). Spirit Airlines' numbers are included in the December 2001-2004 totals but the airline has not yet reported its December 2005 employment numbers.

Low-cost carriers are those that the industry generally recognizes as operating under a low-cost business model with fewer infrastructure costs.

Employment data for Independence Air, which changed its business model from a regional to low-cost carrier in mid-2004, have been included with low-cost carriers for 2003, 2004 and 2005 for consistency. The airline discontinued flights on Jan. 5.

Regional Airlines

Regional carrier FTE's were essentially unchanged in December from December 2004 (Table 13).

Regional carrier FTE's rose from 41,000 in December 2003 to 56,000 in December 2005, an increase of 36 percent (Table 14).

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The seven regional carriers reporting employment data in both 2001 and 2005 employed 11 percent more FTEs in December 2005 than in December 2001. Of that group, Air Wisconsin was the only carrier to report fewer FTE employees in December 2005 than December 2001 (Table 15).

Many regional carriers were not required to report employment numbers before 2003, so year-to-year comparisons involving regional carriers, or the total industry, are not available for the years before 2003.

Regional carriers provide service from small cities, using primarily regional jets to support the network carriers' hub and spoke systems.

Reporting Notes

Airlines that operate at least one aircraft with the capacity to carry combined passengers, cargo and fuel of 18,000 pounds – the payload factor – must report monthly employment statistics.

The Other Carrier category generally reflects those airlines that operate within specific niche markets such as Aloha and Hawaiian Airlines in serving the Hawaiian Islands.

Data are compiled from monthly reports filed with BTS by commercial air carriers as of Feb. 14.

Additional airline employment data can be found on the BTS website at http://www.bts.gov/programs/airline_information/number_of_employees/. BTS has scheduled release of January airline employment data for March 21.

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Table 1: Change in Passenger Airline Full-time Equivalent Employees from the Previous Year*

Percentage change compared to same month the previous year for the most recent 13 months

Month	Network Carriers (Pct. Change)	Low-Cost Carriers** (Pct. Change)	Regional Carriers (Pct. Change)	All Passenger Airlines*** (Pct. Change)
Dec. 2003-Dec. 2004	-3.5	0.5	29.4	0.9
Jan. 2004-Jan. 2005	-4.3	0.4	15.8	-1.2
Feb. 2004-Feb. 2005	-4.7	0.6	13.8	-1.4
Mar. 2004-Mar. 2005	-5.0	0.0	13.3	-1.9
Apr. 2004-Apr. 2005	-6.5	-0.7	12.2	-3.1
May 2004-May 2005	-6.6	-1.0	10.9	-3.5
June 2004-June 2005	-7.0	-1.1	10.0	-3.8
July 2004-July 2005	-5.6	-1.5	4.9	-3.5
Aug. 2004-Aug. 2005	-9.0	-0.7	3.9	-5.8
Sept. 2004-Sept. 2005****	-8.9	-1.0	3.4	-5.8
Oct. 2004-Oct. 2005	-8.9	-1.0	2.4	-6.1
Nov. 2004-Nov. 2005	-9.3	-2.5	0.1	-6.5
Dec. 2004-Dec. 2005	-8.5	-4.3	0.0	-6.3

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

**Employment numbers in 2003, 2004 and 2005 for Independence Air, which changed its business model from a regional to low-cost carrier in mid-2004, are included with low-cost carriers. The airline discontinued flights on Jan. 5, 2006.

*** Includes network, low-cost, regional and other carriers. Other Carriers generally operate within specific niche markets. They are: Allegiant Air, Aloha Airlines, Casino Express Airlines, Continental Micronesia, Hawaiian Airlines, Midwest Airlines, Shuttle America, Sun Country Airlines, TransMeridian Airlines, USA3000 Airlines.

**** Atlantic Southeast Airlines was granted an extension for the filing of September 2005 employment numbers. For year-to-year comparison purposes, its numbers are not included in September 2004.

Note: Percentage changes based on numbers prior to rounding.

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Table 2: Change in Total Passenger Airline* Full-time Equivalent Employees from the Previous Year**

Percentage change compared to same month the previous year

Month	2003	2004	2005
January	-1.0	-6.0	-1.2
February	-1.7	-5.3	-1.4
March	-2.8	-4.1	-1.9
April	-4.4	-2.3	-3.1
May	-6.7	-0.8	-3.5
June	-8.3	0.5	-3.8
July	-9.6	2.5	-3.5
August	-9.5	2.2	-5.8
September***	-9.3	2.4	-5.8
October	-10.4	2.5	-6.1
November	-9.2	2.2	-6.5
December	-8.3	0.9	-6.3

Source: Bureau of Transportation Statistics

* Includes network, low-cost, regional and other carriers.

** Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

*** Atlantic Southeast Airlines was granted an extension for the filing of September 2005 employment numbers. For year-to-year comparison purposes, its numbers are not included in September 2004.

Note: Percentage changes based on numbers prior to rounding.

Table 3: Total Passenger Airline* Full-time Equivalent Employees**

Numbers in thousands (000's)

Month	2003	2004	2005
January	465	437	432
February	459	435	429
March	454	436	428
April	448	438	424
May	443	440	424
June	439	441	424
July	433	444	428
August	433	443	418
September	430	440	414
October	428	439	413
November	430	439	411
December	430	434	407

Source: Bureau of Transportation Statistics

* Includes network, low-cost, regional and other carriers.

** Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

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Table 4: Total Number of Full-time Equivalent Employees* by Carrier Group, December 2001-2005

Numbers in thousands (000's)

	Network	Low-Cost	Regional*	All Passenger Airlines*
2001	372	60	N/A	N/A
2002	356	66	N/A	N/A
2003	306	67	43	430
2004	296	72	56	434
2005	271	***69	55	407
Pct. Change 2001-2005	-27.3	9.6	N/A	N/A
Percent of Total Passenger Airline Employees in 2005	66.6	16.9	13.6	100

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Includes network, low-cost, regional and other carriers.

*** Spirit Airlines has not reported employment numbers for December 2005

Note: Percentage changes based on numbers prior to rounding.

Table 5: Change in Full-time Equivalent Employees* by Carrier Group, December 2001-2005

Percentage Change from the previous year

	Network	Low-Cost	Regional	All Passenger Airlines**
2001	N/A	N/A	N/A	N/A
2002	-4.2%	6.0%	N/A	N/A
2003	-14.1%	7.5%	N/A	N/A
2004	-3.5%	0.5%	29.3%	-0.1%
2005	-8.5%	***-4.3%	0.0%	-6.3%

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Includes network, low-cost, regional and other carriers.

*** Spirit Airlines has not reported employment numbers for December 2005

Note: Percentage changes based on numbers prior to rounding.

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**Table 6: Top 10 Airlines, December 2005
Ranked by Number of Full-Time Equivalent Employees***

Rank	Airline	Total FTE Employees (000)	Carrier Group	Dec. 2004 Rank	Dec. 2003 Rank
1	American	75	Network	1	1
2	United	54	Network	2	3
3	Delta	49	Network	3	2
4	Continental	33	Network	5	5
5	Northwest	32	Network	4	4
6	Southwest	32	Low-cost	6	6
7	US Airways	20	Network	7	7
8	America West	12	Low-cost	8	8
9	American Eagle	9	Regional	10	10
10	Alaska	9	Network	9	9

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

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Table 7: Change in Network Airline Full-time Equivalent Employees from the Previous Year*

Percentage change compared to same month the previous year

Month	2002	2003	2004	2005
January	-14.5	-5.3	-12.5	-4.3
February	-10.8	-10.7	-11.0	-4.7
March	-15.7	-8.2	-8.7	-5.0
April	-16.1	-10.0	-6.6	-6.5
May	-15.1	-12.7	-5.0	-6.6
June	-14.8	-14.4	-3.6	-7.0
July	-14.7	-15.8	-2.0	-5.6
August	-14.2	-16.4	-1.7	-9.0
September	-12.1	-16.6	-1.7	-8.9
October	-12.1	-16.6	-1.7	-8.9
November	-4.6	-15.4	-1.7	-9.3
December	-4.2	-14.1	-3.5	-8.5

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.
Note: Percentage changes based on numbers prior to rounding.

Table 8: Network Carrier Full-time Equivalent Employees by Month*

Numbers in thousands (000's)

	2001	2002	2003	2004	2005	Percentage Change 2001-2005
January	431	368	349	305	292	-32.2
February	430	383	342	305	290	-32.4
March	431	364	334	305	289	-32.9
April	433	363	327	306	286	-34.0
May	434	369	322	306	286	-34.2
June	435	371	318	306	285	-34.6
July	435	371	313	306	289	-33.6
August	433	372	311	305	278	-35.9
September	420	369	308	302	275	-34.4
October	420	369	308	302	275	-34.4
November	379	361	305	300	272	-28.0
December	372	356	306	296	271	-27.3
Monthly Average	421	368	320	304	282	-32.9

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.
Note: Percentage changes based on numbers prior to rounding.

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Table 9: Network Carrier FTE Employees, December 2001-2005*

(Ranked by December 2005 FTE Employees)

Numbers in thousands (000's)

Rank		2001	2002	2003	2004	2005	Percentage Change 2001-2005
1	American**	97	95	80	77	75	-23.2
2	United	81	77	59	58	54	-33.7
3	Delta	68	64	59	57	49	-28.8
4	Continental	36	36	34	32	33	-8.1
5	Northwest	45	43	38	39	32	-28.9
6	US Airways	35	30	27	25	20	-43.3
7	Alaska	10	10	10	9	9	-9.0
8	TWA	N/A	N/A	N/A	N/A	N/A	N/A
	Total	372	356	306	296	271	-27.3

Source: Bureau of Transportation Statistics

Note: Detail may not add to total due to rounding

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

**American Airlines' statistics beginning in June 2001 reflect that carrier's absorption of former TWA employees that were retained by AA after its April 2001 acquisition of TWA's assets.

Note: Percentage changes based on numbers prior to rounding.

Table 10: Change in Low-Cost Airline Full-time Equivalent Employees from the Previous Year*

Percentage change compared to same month the previous year

Month	2002	2003	2004	2005
January	3.4	9.2	8.5	0.5
February	1.9	8.5	6.9	0.6
March	3.6	14.1	0.5	0.0
April	5.2	12.4	0.6	-0.7
May	1.8	11.7	0.8	-1.0
June	5.7	10.0	1.5	-1.1
July	6.6	9.2	2.3	-1.5
August	5.9	9.6	1.1	-0.7
September	7.5	9.8	0.7	-1.0
October	7.5	9.8	0.7	-1.2
November	12.1	9.0	0.6	-2.5
December	10.2	1.7	6.6	** -4.3

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

Note: Employment numbers in 2003, 2004 and 2005 for Independence Air, which changed its business model from a regional to low-cost carrier in mid-2004, are included with low-cost carriers. The airline discontinued flights on Jan. 5, 2006.

** Spirit Airlines has not reported employment numbers for December 2005

Note: Percentage changes based on numbers prior to rounding.

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Table 11: Low-Cost Carrier Full-time Equivalent Employees by Month*
 Numbers in thousands (000's)

	2001	2002	2003**	2004**	2005**	Percentage Change 2001-2005
January	58	60	66	71	72	23.2
February	60	61	66	70	72	18.8
March	60	62	70	71	71	18.7
April	60	63	71	71	70	18.1
May	62	63	71	71	71	13.5
June	61	64	71	72	71	16.7
July	61	65	71	72	71	17.2
August	61	65	71	72	71	16.4
September	60	64	71	71	71	17.8
October	60	64	71	71	70	17.5
November	59	66	72	72	70	19.8
December	60	66	67	72	69	***14.4
Monthly Average	60	64	70	71	71	17.7

Source: Bureau of Transportation Statistics

Note: Percentage changes based on numbers prior to rounding.

Note: Detail may not add to total due to rounding

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Employment numbers in 2003, 2004 and 2005 for Independence Air, which changed its business model from a regional to low-cost carrier in mid-2004, are included with low-cost carriers. The airline discontinued flights on Jan. 5, 2006.

*** Spirit Airlines has not reported employment numbers for December 2005

Table 12: Low-Cost Carrier FTE Employees, December 2001-2005*

(Ranked by December 2005 FTE Employees)

Numbers in thousands (000's)

Rank		2001	2002	2003	2004	2005	Percentage Change 2001-2005
1	Southwest	32	34	33	31	32	-1.8
2	America West	11	12	11	11	12	6.0
3	JetBlue	2	4	5	7	8	316.0
4	AirTran	4	5	5	6	7	68.7
5	Frontier	2	3	3	4	4	86.2
6	ATA	7	7	7	6	4	-44.5
7	Independence**	N/A	N/A	N/A	4	2	N/A
8	Spirit	2	2	3	2	N/A***	N/A
	Total***	60	66	67	72	69	14.4

Source: Bureau of Transportation Statistics

Note: Percentage changes based on numbers prior to rounding.

Note: Detail may not add to total due to rounding

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Employment numbers in 2003, 2004 and 2005 for Independence Air, which changed its business model from a regional to low-cost carrier in mid-2004, are included with low-cost carriers. The carrier did not meet the standard for filing in previous years. The airline discontinued flights on Jan. 5, 2006.

*** Spirit Airlines has not reported employment numbers for December 2005

**** Total numbers for carriers operating and reporting in 2005.

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Table 13: Change in Regional Airline Full-time Equivalent Employees from the Previous Year*

Percentage change compared to same month the previous year

Month	2004**	2005
January	16.9	19.6
February	18.0	14.3
March	20.0	13.3
April	22.1	12.2
May	23.5	10.9
June	25.8	10.2
July	31.4	5.1
August	31.8	3.9
September	36.9	3.5
October	32.6	2.4
November	32.3	0.1
December	29.3	0.0

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Three regional airlines, Mesa, Pinnacle and PSA, did not meet the reporting standard in 2003. The three airlines reported employment numbers in 2004 and 2005.

Note: Percentage changes based on numbers prior to rounding.

Table 14: Regional Carrier Full-time Equivalent Employees by Month*

Numbers in thousands (000's)

	2003**	2004	2005	Percentage Change 2003-2005
January	41	48	58	39.8
February	41	49	56	34.8
March	41	50	56	35.9
April	41	50	57	37.0
May	42	51	57	37.0
June	41	52	57	38.6
July	41	54	57	38.1
August	42	55	57	37.0
September	36	49	51	41.7
October	42	55	57	35.7
November	42	56	56	32.3
December	43	56	55	29.3
Monthly Average	41	52	56	36.4

Source: Bureau of Transportation Statistics

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Three regional airlines, Mesa, Pinnacle and PSA, did not meet the reporting standard in 2003. The three airlines reported employment numbers in 2004 and 2005.

Note: Percentage changes based on numbers prior to rounding.

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Table 15: Regional Carrier FTE Employees, December 2000-2004*

(Ranked by December 2005 FTE Employees)

Numbers in thousands (000's)

Rank		2001	2002	2003	2004	2005	Percentage Change 2001-2005
1	American Eagle	8.5	7.9	7.7	9.1	9.4	11.5
2	Sky West	N/A	N/A	5.6	7.0	8.1	N/A
3	Express Jet	N/A	N/A	5.7	6.3	6.4	N/A
4	Comair	N/A	5.1	5.7	6.1	6.3	N/A
5	Atlantic Southeast	4.2	5.1	5.5	5.7	5.6	32.2
6	Horizon	3.5	3.4	3.3	3.3	3.5	1.0
7	Mesaba	3.1	3.0	2.9	3.2	3.3	6.1
8	Mesa	N/A	N/A	N/A	3.8	3.0	N/A
9	Pinnacle	N/A	N/A	N/A	2.6	3.0	N/A
10	Air Wisconsin	2.8	3.0	3.0	3.7	2.2	-20.2
11	Executive	1.3	2.1	1.8	1.8	1.8	30.3
12	PSA	N/A	N/A	N/A	1.7	1.6	N/A
13	Trans States	.9	1.1	1.2	1.4	1.3	40.0
	Total**	24.2	30.7	42.5	55.8	55.3	N/A

Source: Bureau of Transportation Statistics

Note: Percentage changes based on numbers prior to rounding.

Note: Many regional carriers were not required to report employment numbers before 2003 so year-to-year comparisons involving regional carriers as a group, or the full industry, are not appropriate for earlier years.

Note: Detail may not add to total due to rounding

* Full-time Equivalent Employee (FTE) calculations count two part-time employees as one full-time employee.

** Totals include only carriers operating and reporting in 2005.

N/A: Not applicable because carriers did not meet the standard for filing.

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