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December 2006 Passenger Airline Employment Down 1.1 Percent from December 2005

U.S. scheduled passenger airlines employed 1.1 percent fewer workers in December 2006 than in December 2005, the smallest decrease in full-time equivalent employee (FTE) levels for the scheduled passenger carriers from the same month of the previous year since January 2005, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today (Table 2). FTE calculations count two part-time employees as one full-time employee.

Only the network carrier group reported fewer FTE employees in December than in the prior year with a 2.9 percent decrease while all other carriers combined employed 2.3 percent more FTEs than a year earlier (Table 1).

Adding FTEs from December 2005 to December 2006 were network carriers Continental Airlines and Alaska Airlines (Table 9), all of the low-cost carriers except for ATA Airlines and Spirit Airlines (Table 12), and regional carriers SkyWest Airlines, Express Jet Airlines, Horizon Airlines, Mesa Airlines, Pinnacle Airlines, Atlantic Southeast Airlines, Air Wisconsin Airlines, Shuttle America Airlines, GoJet Airlines and Republic Airlines (Table 15).

Scheduled passenger airlines include network, low-cost, regional and other airlines. 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.

The seven network carriers employed 263,000 FTEs in December, 65.1 percent of the passenger airline total, while low-cost carriers employed 17.7 percent and regional carriers employed 14.4 percent (Table 4). The network carriers have employed fewer FTEs each December compared to the previous year since 2002, the only carrier group to do so (Table 5).

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

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Network Airlines

Network carrier FTEs declined 2.9 percent in December 2006 compared to December 2005, the smallest drop from the same month of the previous year since November 2004 (Table 7).

Two network carriers increased FTEs from December 2005 to December 2006. Continental's workforce grew 5.4 percent while Alaska's rose 5.2 percent. The largest FTE decreases were reported by Delta, 8.1 percent, and Northwest, 7.0 percent (Table 9).

Collectively, the seven network carriers reduced their FTE headcount by 26.2 percent, or 94,000 FTEs, from December 2002 to December 2006. Network carrier FTEs dropped from 356,000 during the four-year period (Table 8).

FTEs at all seven network carriers declined in December 2006 from December 2002. The biggest percentage decline was at US Airways, down 35.6 percent, a reduction of 11,000 FTEs. United Airlines, Delta Air Lines, and Northwest Airlines all reported cuts of more than 25 percent in the four years. Continental's FTEs were down 4.7 percent and Alaska's were down 7.4 percent during that time (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 network carriers' category and America West's in the low-cost carriers' category.

Low-Cost Airlines

Low-cost carrier FTEs rose 1.4 percent in December 2006 compared to December 2005, the third consecutive increase after 18 consecutive decreases from the previous year. It was the largest increase from the same month of the previous year since July 2004 (Table 10). The 72,000 FTEs employed by the seven low-cost carriers in December was the highest number of low-cost carrier FTEs since 2004 (Tables 11 and 4).

All the low-cost carriers had FTE increases from December 2005 to December 2006 except ATA, which reported a 32.9 percent decline, and Spirit with a 0.9 percent decrease. America West Airlines, Frontier Airlines, JetBlue Airways and AirTran Airways all reported a rise of more than 10 percent (Table 12).

Low-cost carrier FTEs were 66,000 in December 2002, 71,000 in December 2005 and 72,000 in December 2006. The rise from 2002 to 2006 was 8.5 percent (Table 12).

Low-cost carriers are those that the industry recognizes as operating under a low-cost business model, with fewer infrastructure costs and greater expectations of productivity.

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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 all flights on Jan. 5, 2006.

Regional Airlines

Regional carrier FTEs were up 3.4 percent in December compared to December 2005, the largest increase in FTEs from the previous year since September 2005 (Table 13).

Shuttle America and Republic reported the largest increases in the group. Shuttle America employed 54.0 percent more FTEs in December 2006 than December 2005 while Republic employed 172.4 percent more (Table 15).

Regional carrier FTEs rose from 42,000 in December 2003 to 58,000 in December 2006, an increase of 36.9 percent (Table 14).

The eight regional carriers reporting employment data in both 2002 and 2006 employed 6.1 percent more FTEs in December 2006 than in December 2002. Of that group, Air Wisconsin, Mesaba Airlines and Executive were the only carriers to report fewer FTEs in December 2006 than December 2002 (Table 15).

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. 19.

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 20.

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**AIRLINE EMPLOYMENT PRESS RELEASE
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**Table 1: Passenger Airline Full-time Equivalent Employees*
Change from the Previous Year**

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

Month	Network Carriers (Pct. Change) From Table 7	Low-Cost Carriers** (Pct. Change) From Table 10	Regional Carriers (Pct. Change) From Table 13	All Passenger Airlines*** (Pct. Change) From Table 2
Dec. 2004-Dec. 2005	-8.8	-1.4	1.3	-6.1
Jan. 2005-Jan. 2006	-8.1	-5.3	1.5	-6.0
Feb. 2005-Feb. 2006	-7.5	-4.1	0.2	-5.6
Mar. 2005-Mar. 2006	-7.5	-3.0	-0.4	-5.4
Apr. 2005-Apr. 2006	-6.7	-2.2	-0.4	-4.8
May 2005-May 2006	-7.0	-2.1	-1.0	-5.0
June 2005-June 2006	-6.8	-2.1	-0.4	-4.8
July 2005-July 2006	-8.1	-2.6	-1.9	-6.1
Aug. 2005-Aug. 2006	-4.7	-0.8	-1.0	-3.3
Sept. 2005-Sept. 2006	-4.1	-0.4	-0.3	-2.7
Oct. 2005-Oct. 2006	-4.0	0.8	0.5	-2.4
Nov. 2005-Nov. 2006	-3.4	0.9	2.4	-1.7
Dec. 2005-Dec. 2006	-2.9	1.4	3.4	-1.1

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, Boston-Maine Airways, Casino Express Airlines, Continental Micronesia, Eos Airlines, Hawaiian Airlines, Midwest Airlines, Sun Country Airlines, USA3000 Airlines. USA3000 is included in previous months but did not report in December 2006.

Note: Percent changes based on numbers prior to rounding.

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

Percent change compared to same month the previous year

Month	2003	2004	2005	2006
January	0.9	-6.7	-0.7	-6.0
February	0.3	-4.8	-2.1	-5.6
March	-0.8	-3.7	-2.4	-5.4
April	-2.6	-2.4	-2.9	-4.8
May	-4.8	-1.2	-3.0	-5.0
June	-6.5	0.3	-3.7	-4.8
July	-7.9	2.3	-3.2	-6.1
August	-8.1	3.2	-6.4	-3.3
September	-8.1	2.3	-5.6	-2.7
October	-9.3	2.5	-5.8	-2.4
November	-8.1	2.2	-6.3	-1.7
December	-7.2	0.9	-5.9	-1.1

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.

Note: Percent changes based on numbers prior to rounding.

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

Numbers in thousands (000's)

Month	2003	2004	2005	2006	Percent Change 2003-2006
January	465	437	432	405	-12.9%
February	459	435	429	404	-12.0%
March	454	436	428	405	-11.0%
April	445	435	421	404	-9.8%
May	443	440	424	403	-9.0%
June	439	441	424	403	-8.1%
July	433	444	428	403	-7.0%
August	433	443	418	404	-6.6%
September	430	440	414	403	-6.0%
October	428	439	413	403	-5.7%
November	430	439	411	404	-5.8%
December	430	434	409	404	-6.1%
Monthly Average	441	439	421	404	-8.4%

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.

Note: Percent changes and averages based on numbers prior to rounding.

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Table 4: Total Number of Full-time Equivalent Employees* by Carrier Group, December 2002-2006
FTE Numbers in thousands (000's)

	Network	Low-Cost	Regional	All Passenger Airlines**
2002	356	66	31	464
2003	306	71	43	430
2004	296	72	55	434
2005	271	71	56	409
2006	263	72	58	404
Pct. Change 2002-2006***	-26.2%	8.0%	5.2%	-6.9%
Percent of Total Passenger Airline Employees in 2006	65.1%	17.7%	14.4%	100.0%

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.

*** Percent change comparison for regional airlines and for all passenger airlines is for 2003 to 2006 because of the number of airlines in these categories that did not meet the standard for reporting monthly employment numbers.

Note: Percent changes based on numbers prior to rounding.

Table 5: Full-time Equivalent Employees* by Carrier Group, Year-to-Year Change, December 2002-2006
Percent Change from the previous year

	Network	Low-Cost	Regional**	All Passenger Airlines***
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	0.9
2005	-8.5	-1.4	1.8	-5.9
2006	-2.9	1.4	3.4	-1.1

Source: Bureau of Transportation Statistics

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

** 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 appropriate for the years before 2003.

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

Note: Percent changes based on numbers prior to rounding.

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Table 6: Top 10 Airlines, December 2006
Ranked by Number of Full-Time Equivalent Employees*

Rank	Airline	Total FTE Employees (000)	Carrier Group	Dec 2005 Rank	Dec 2004 Rank
1	American	73	Network	1	1
2	United	52	Network	2	2
3	Delta	45	Network	3	3
4	Continental	34	Network	4	5
5	Southwest	33	Low-Cost	6	6
6	Northwest	30	Network	5	4
7	US Airways	19	Network	7	7
8	America West	13	Low-Cost	8	8
9	JetBlue	10	Low-Cost	11	11
10	Alaska	9	Network	10	9

Source: Bureau of Transportation Statistics

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

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

Percent change compared to same month the previous year

Month	2003	2004	2005	2006
January	-5.3	-12.5	-4.1	-8.1
February	-6.0	-11.0	-4.9	-7.5
March	-8.2	-8.7	-5.0	-7.5
April	-10.0	-6.6	-6.5	-6.7
May	-12.7	-4.9	-6.6	-7.0
June	-14.4	-3.6	-7.0	-6.8
July	-15.8	-2.0	-5.9	-8.1
August	-16.4	-1.6	-9.1	-4.7
September	-16.5	-1.7	-8.9	-4.1
October	-16.8	-1.4	-8.9	-4.0
November	-15.4	-1.7	-9.3	-3.4
December	-14.1	-3.5	-8.5	-2.9

Source: Bureau of Transportation Statistics

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

Note: Percent changes based on numbers prior to rounding.

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Table 8: Network Carrier Full-time Equivalent Employees* by Month
Numbers in thousands (000's)

	2002	2003	2004	2005	2006	Percent Change 2002- 2006
January	368	349	305	293	270	-27.0
February	364	342	305	290	268	-26.4
March	364	334	305	289	268	-26.3
April	363	327	306	286	267	-26.7
May	369	322	306	286	266	-27.9
June	371	318	306	285	265	-28.5
July	371	313	306	289	265	-28.7
August	372	311	305	278	265	-28.8
September	369	308	302	275	264	-28.3
October	367	305	301	274	263	-28.3
November	361	306	300	272	263	-27.1
December	356	306	296	271	263	-26.2
Monthly Average	366	320	304	282	265	-27.5

Source: Bureau of Transportation Statistics

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

Note: Percent changes and averages based on numbers prior to rounding.

Table 9: Network Carrier Full-time Equivalent Employees*, December 2002-2006
(Ranked by December 2006 FTE Employees)
Numbers in thousands (000's)

Rank		2002	2003	2004	2005	2006	Percent Change	
							2002- 2006	2005- 2006
1	American	95	80	77	75	73	-23.3	-2.5
2	United	77	59	58	54	52	-32.0	-2.3
3	Delta	64	59	57	49	45	-30.6	-8.1
4	Continental	36	34	32	33	34	-4.7	5.4
5	Northwest	43	38	39	32	30	-31.7	-7.0
6	US Airways	30	27	25	20	19	-35.6	-3.4
7	Alaska	10	10	9	9	9	-7.4	5.2
	Total	356	306	297	271	263	-26.2	-2.5

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.

Note: Percent changes based on numbers prior to rounding.

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

Percent change compared to same month the previous year

Month	2003	2004	2005	2006
January	9.4	8.4	0.5	-5.3
February	8.5	6.2	1.2	-4.1
March	14.1	0.5	0.0	-3.0
April	12.4	0.6	-0.7	-2.2
May	11.7	0.8	-1.0	-2.1
June	10.0	1.9	-1.5	-2.1
July	9.2	2.3	-1.5	-2.6
August	9.6	1.1	-0.7	-0.8
September	9.8	0.7	-1.0	-0.4
October	9.3	-0.2	-1.2	0.8
November	9.0	0.6	-2.5	0.9
December	7.5	0.5	-1.4	1.4

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.

Note: Percent changes based on numbers prior to rounding.

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

	2002	2003**	2004**	2005**	2006	Percent Change 2002-2006
January	60	66	71	72	68	12.8
February	61	66	70	71	68	11.9
March	62	70	71	71	69	11.2
April	63	70	71	70	69	9.8
May	63	71	71	71	69	9.2
June	64	71	72	71	69	8.1
July	68	71	72	71	69	2.3
August	65	71	72	71	71	6.0
September	64	71	71	71	70	8.2
October	66	71	71	70	71	7.9
November	66	72	72	70	71	7.2
December	66	67	72	71	72	8.0
Monthly Average	64	70	71	71	70	9.4

Source: Bureau of Transportation Statistics

Note: Percent changes and averages 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.

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Table 12: Low-Cost Carrier Full-time Equivalent Employees*, December 2002-2006
(Ranked by December 2006 FTE Employees)
Numbers in thousands (000's)

Rank		2002	2003**	2004**	2005**	2006	Percent Change 2002-2006	Percent Change 2005-2006
1	Southwest	34	33	31	32	33	-3.1	2.9
2	America West	12	11	11	12	13	12.6	12.6
3	JetBlue	4	5	7	8	10	158.0	12.6
4	AirTran	5	5	6	7	7	57.4	10.6
5	Frontier	3	3	4	4	5	36.2	10.5
6	ATA	7	7	6	4	2	-63.1	-32.9
7	Spirit	2	3	2	2	2	-14.6	-0.9
8	Independence	N/A	4	4	2	N/A	N/A	N/A
	Total	66	71	72	71	72	8.5	1.4

Source: Bureau of Transportation Statistics

Note: Percent 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.

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

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

Percent change compared to same month the previous year

	2004**	2005	2006
January	16.8	16.7	1.5
February	26.5	7.7	0.2
March	28.1	7.9	-0.4
April	22.5	13.7	-0.4
May	21.7	14.9	-1.0
June	25.8	10.2	-0.4
July	33.5	7.6	-1.9
August	42.0	-1.8	-1.0
September	33.3	4.3	-0.3
October	33.9	2.8	0.5
November	31.9	2.1	2.4
December	29.3	1.8	3.4

Source: Bureau of Transportation Statistics

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

** Six regional airlines, Republic, Shuttle America, Mesa, Pinnacle, GoJet and PSA, did not meet the reporting standard in 2003. Mesa and Pinnacle began reporting employment numbers in 2004, Pinnacle, Republic, Shuttle America and GoJet began reporting in 2005.

Note: Percent changes based on numbers prior to rounding.

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Table 14: Regional Carrier Full-time Equivalent Employees* by Month
Numbers in thousands (000's)

	2003**	2004	2005	2006	Percent Change 2003-2006	Percent Change 2005-2006
January	41	48	56	57	38.3	1.5
February	41	52	56	57	36.4	0.2
March	41	53	57	57	37.6	-0.4
April	41	50	57	57	38.8	-0.4
May	41	50	58	57	38.5	-1.0
June	41	52	57	57	38.0	-0.4
July	41	54	58	57	40.9	-1.9
August	41	59	58	57	38.0	-1.0
September	41	55	58	57	38.6	-0.3
October	42	56	57	58	38.3	0.5
November	42	56	57	58	37.9	2.4
December	43	55	56	58	36.1	3.4
Monthly Average	41	54	57	57	38.1	0.2

Source: Bureau of Transportation Statistics

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

** Six regional airlines, Republic, Shuttle America, Mesa, Pinnacle, GoJet and PSA, did not meet the reporting standard in 2003. Mesa and Pinnacle began reporting employment numbers in 2004, Pinnacle, Republic, Shuttle America and GoJet began reporting in 2005.

Note: Percent changes based on numbers prior to rounding.

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**Table 15: Regional Carrier Full-time Equivalent Employees*, December 2002-2006
(Ranked by December 2006 FTE Employees)**

Rank		2002	2003	2004	2005	2006	Percent Change 2002-2006**	Percent Change 2005-2006
1	American Eagle	7,857	7,720	9,130	9,419	9,269	18.0	-1.6
2	SkyWest	N/A	5,622	6,998	8,101	8,791	N/A	8.5
3	Express Jet	N/A	5,683	6,344	6,375	6,828	N/A	7.1
4	Comair	5,072	5,745	6,098	6,329	6,126	20.8	-3.2
5	Atlantic Southeast	5,082	5,469	5,718	5,552	5,657	11.3	1.9
6	Horizon	3,409	3,311	3,322	3,504	3,656	7.2	4.3
7	Pinnacle	N/A	N/A	2,605	2,968	3,288	N/A	8.9
8	Mesa	N/A	N/A	3,832	2,975	3,240	N/A	10.8
9	Mesaba	3,045	2,909	2,701	3,277	2,555	-16.1	-22.0
10	Air Wisconsin	2,981	3,024	3,653	2,198	2,314	-22.4	5.3
11	Executive	2,074	1,846	1,785	1,750	1,682	-18.9	-3.9
12	PSA	N/A	N/A	1,692	1,570	1,432	N/A	-8.8
13	Trans States	1,147	1,179	1,421	1,302	1,278	11.4	-1.8
14	Shuttle America	N/A	N/A	N/A	711	1,104	N/A	55.3
15	Republic	N/A	N/A	N/A	246	670	N/A	172.4
16	GoJet	N/A	N/A	N/A	237	312	N/A	31.6
	Total	30,667	42,508	55,299	56,514	58,202	6.1	3.0

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.

** 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 appropriate for the years before 2003. The Percent Change 2002-2006 is based on the eight carriers reporting in both years.

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

- end -