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October 2006 Passenger Airline Employment Down 2.2 Percent from October 2005

U.S. scheduled passenger airlines employed 2.2 percent fewer workers in October 2006 than in October 2005, the smallest drop since March 2005 in full-time equivalent employee (FTE) levels for the scheduled passenger carriers from the same month of the previous year, 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.

The network and regional carrier groups reported fewer FTE employees in October than in the prior year while the low-cost carriers employed more FTEs than a year earlier (Table 1).

Adding FTEs from October 2005 to October 2006 were network carriers Continental Airlines and Alaska Airlines (Table 9), all of the low-cost carriers except for ATA Airlines (Table 12), and regional carriers SkyWest Airlines, Express Jet Airlines, Horizon Airlines, Pinnacle Airlines, Atlantic Southeast Airlines, Executive Airlines and Air Wisconsin 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 October, 65.2 percent of the passenger airline total, while low-cost carriers employed 17.6 percent and regional carriers employed 13.9 percent (Table 4). The network carriers have employed fewer FTEs each October compared to the previous year since 2002, the only carrier group to do so (Table 5).

American Airlines employed the most FTEs in October 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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ADD ONE

Network Airlines

Network carrier FTEs declined 4.0 percent in October 2006 compared to October 2005, the smallest drop from the same month of the previous year since December 2004 (Table 7).

Collectively, the seven network carriers reduced their FTE headcount by 28.3 percent, or 104,000 FTEs, from October 2002 to October 2006. Network carrier FTEs dropped from 367,000 during the four-year period (Table 8).

FTEs at all seven network carriers declined in October 2006 from October 2002. The biggest percentage decline was at US Airways, down 41.5 percent, a reduction of nearly 14,000 FTEs. United Airlines, Delta Air Lines, Northwest Airlines and American Airlines all reported cuts of more than 25 percent in the four years. Continental FTEs were down 5.3 percent and Alaska's were down 7.4 percent during that time (Table 9).

Two network carriers increased FTEs from September 2005 to September 2006. Continental's workforce grew 5.9 percent while Alaska's rose 4.3 percent. Delta reported an 11.4 percent drop in FTEs (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 0.8 percent in October 2006 compared to October 2005, the first increase after 18 consecutive decreases from the previous year (Table 10). The 69,000 FTEs employed by the seven low-cost carriers in October account for 17.6 percent of the passenger airline total (Tables 11 and 4).

All the low-cost carriers had FTE increases from October 2005 to October 2006 except for ATA which declined 38.4 percent. Spirit Air Lines, JetBlue Airways and AirTran Airways all reported a rise of more than 15 percent (Table 12).

Low-cost carrier FTEs were 66,000 in October 2002, 70,000 in October 2005 and 71,000 in October 2006. The increase from 2002 to 2006 was 7.9 percent (Table 12).

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

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, 2007.

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Regional Airlines

Regional carrier FTEs were down 0.4 percent in October compared to October 2005, the 10th consecutive month of FTE decreases from the previous year (Table 13).

Regional carrier FTEs rose from 42,000 in October 2003 to 56,000 in October 2006, an increase of 33.4 percent (Table 14).

SkyWest and Express Jet both reported the largest increase in the group, employing 6.1 percent more FTEs in October 2006 than October 2005 (Table 15).

The seven regional carriers reporting employment data in both 2002 and 2006 employed 9.9 percent more FTEs in October 2006 than in October 2002. Of that group, Air Wisconsin, Mesaba Airlines and Executive were the only carriers to report fewer FTE's in October 2006 than October 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 Dec. 13.

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 November airline employment data for Jan. 17, 2007.

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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)	Low-Cost Carriers** (Pct. Change)	Regional Carriers (Pct. Change)	All Passenger Airlines*** (Pct. Change)
Oct. 2004-Oct. 2005	-8.9	-1.0	2.4	-5.8
Nov. 2004-Nov. 2005	-9.3	-2.3	0.1	-6.5
Dec. 2004-Dec. 2005	-8.5	-1.4	0.0	-5.9
Jan. 2005-Jan. 2006	-7.8	-5.3	-1.8	-6.1
Feb. 2005-Feb. 2006	-7.8	-4.1	-1.2	-5.8
Mar. 2005-Mar. 2006	-7.4	-3.0	-1.9	-5.4
Apr. 2005-Apr. 2006	-6.7	-2.2	-1.6	-4.8
May 2005-May 2006	-7.0	-2.1	-3.5	-5.0
June 2005-June 2006	-6.9	-2.0	-3.6	-5.0
July 2005-July 2006	-8.1	-2.6	-2.7	-5.9
Aug. 2005-Aug. 2006	-4.7	-0.8	-2.8	-3.1
Sept. 2005-Sept. 2006	-4.1	-0.4	-1.5	-2.6
Oct. 2005-Oct. 2006	-4.0	0.8	-0.4	-2.2

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.

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	-1.0	-6.0	-1.2	-6.1
February	-1.7	-5.3	-1.4	-5.8
March	-2.8	-4.1	-1.9	-5.4
April	-4.4	-2.3	-3.1	-4.8
May	-6.7	-0.8	-3.5	-5.0
June	-8.3	0.5	-3.8	-5.0
July	-9.6	2.5	-3.5	-5.9
August	-9.5	2.2	-5.8	-3.1
September	-9.3	2.4	-5.8	-2.6
October	-10.4	2.5	-6.1	-2.2
November	-9.2	2.2	-6.5	
December	-8.3	0.9	-5.9	

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					Percentage
	2003	2004	2005	2006	Change 2003-2006
January	465	437	432	405	-12.9%
February	459	435	429	404	-12.0%
March	454	436	428	405	-10.9%
April	445	435	421	404	-9.9%
May	443	440	424	403	-9.1%
June	439	441	424	403	-8.2%
July	433	444	428	403	-7.0%
August	433	443	418	404	-6.7%
September	430	440	414	403	-6.1%
October	428	439	413	403	-5.8%
November	430	439	411		
December	430	434	409		
Monthly Average	441	439	421		
Jan.-Oct. Average	443	439	423	404	-8.9%

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, October 2002-2006
FTE Numbers in thousands (000's)

	Network	Low-Cost	Regional*	All Passenger Airlines**
2002	367	66	36	478
2003	305	71	42	428
2004	301	71	56	439
2005	274	70	56	413
2006	263	71	56	403
Pct. Change 2002-2006***	-28.3%	7.9%	33.4%	-15.7%
Percent of Total Passenger Airline Employees in 2006	65.2%	17.6%	13.9%	

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, October 2002-2006
Percent Change from the previous year

	Network	Low-Cost	Regional**	All Passenger Airlines***
2002	-9.0	8.2	48.1	-3.7
2003	-16.8	8.5	17.7	-10.4
2004	-1.4	-0.2	33.0	2.5
2005	-8.9	-1.2	0.7	-6.1
2006	-4.0	0.8	-0.4	-2.2

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.

Note: Percent changes based on numbers prior to rounding.

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

Rank	Airline	Total FTE Employees (000)	Carrier Group	Oct. 2005 Rank	Oct. 2004 Rank
1	American	73	Network	1	1
2	United	52	Network	2	2
3	Delta	44	Network	3	3
4	Continental	35	Network	5	5
5	Southwest	32	Low-Cost	6	6
6	Northwest	30	Network	4	4
7	US Airways	19	Network	7	7
8	America West	12	Low-Cost	8	8
9	JetBlue	10	Low-Cost	12	12
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	-4.3	-7.8
February	-10.7	-11.0	-4.7	-7.8
March	-8.2	-8.7	-5.0	-7.4
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	-6.9
July	-15.8	-2.0	-5.6	-8.1
August	-16.4	-1.7	-9.0	-4.7
September	-16.6	-1.7	-8.9	-4.1
October	-16.8	-1.4	-8.9	-4.0
November	-15.4	-1.7	-9.3	
December	-14.1	-3.4	-8.5	

Source: Bureau of Transportation Statistics

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

Note: Percent changes 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	-26.8
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	-28.6
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	305	300	272		
December	356	306	296	271		
Monthly Average	366	320	304	282		
Jan.-Oct. Average	368	323	305	285	266	-27.7

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*, October 2002-2006
(Ranked by October 2006 FTE Employees)
Numbers in thousands (000's)

Rank		2002	2003	2004	2005	2006	Percent Change 2002- 2006	Percent Change 2005- 2006
1	American	99	79	79	75	73	-26.7	-3.2
2	United	78	59	58	54	52	-33.1	-2.4
3	Delta	65	59	57	50	44	-32.0	-11.4
4	Continental	37	34	34	33	35	-5.3	5.9
5	Northwest	44	38	37	33	30	-31.7	-8.0
6	US Airways	33	26	25	20	19	-41.5	-5.8
7	Alaska	10	10	10	9	9	-7.4	4.3
	Total	367	305	301	274	263	-28.3	-4.0

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.

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	9.2	8.5	0.4	-5.3
February	8.5	6.9	0.6	-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	1.5	-1.1	-2.0
July	4.2	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	8.5	-0.2	-1.2	0.8
November	9.0	0.6	-2.5	
December	1.7	0.5	-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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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		
December	66	67	72	71		
Monthly Average	64	70	71	71		
Jan.-Oct. Average	64	70	71	71	69	8.6

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* October 2002-2006
(Ranked by October 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	31	32	-3.6	3.9
2	America West	12	11	11	12	12	6.4	6.7
3	JetBlue	3	5	6	8	10	176.7	18.1
4	AirTran	5	5	6	6	7	59.2	15.7
5	Frontier	3	3	4	4	5	65.9	9.8
6	ATA	7	8	6	4	2	-62.7	-38.4
7	Spirit	2	2	2	2	2	4.7	20.6
8	Independence	N/A	4	4	3	N/A	N/A	N/A
	Total****	66	71	71	70	71	7.9	0.8

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	16.9	15.8	-1.8
February	18.0	13.8	-1.2
March	20.0	13.3	-1.9
April	22.1	12.2	-1.6
May	23.5	10.9	-3.5
June	25.8	10.0	-3.6
July	31.4	4.9	-2.7
August	31.8	3.9	-2.8
September	36.9	3.4	-1.5
October	33.0	0.8	-0.4
November	32.3	0.1	
December	18.7	0.0	

Source: Bureau of Transportation Statistics

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

** Four regional airlines, Mesa, Pinnacle, GoJet and PSA, did not meet the reporting standard in 2003. Mesa and Pinnacle began reporting employment numbers in 2004, Pinnacle began reporting in 2005 while GoJet began reporting in 2006.

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
January	41	48	58	55	33.7
February	41	49	56	55	33.3
March	41	50	56	55	33.3
April	41	50	57	55	36.8
May	42	51	57	55	32.1
June	41	52	57	55	33.6
July	41	54	57	56	34.3
August	42	55	57	56	33.2
September	42	55	57	56	33.7
October	42	56	56	56	33.4
November	42	56	56		
December	43	55	55		
Monthly Average	42	53	57		
Jan.-Oct. Average	42	52	57	55	33.5

Source: Bureau of Transportation Statistics

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

** Note: Four regional airlines, Mesa, Pinnacle, GoJet and PSA, did not meet the reporting standard in 2003. Mesa and Pinnacle began reporting employment numbers in 2004, Pinnacle began reporting in 2005 while GoJet began reporting in 2006.

Note: Percent changes based on numbers prior to rounding.

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

Rank		2002	2003	2004	2005	2006	Percent Change 2002-2006	Percent Change 2005- 2006
1	American Eagle	7,854	7,612	9,029	9,508	9,302	18.4	-2.2
2	SkyWest	N/A	5,405	6,840	8,171	8,670	N/A	6.1
3	Express Jet	5,569	5,648	6,300	6,472	6,868	23.3	6.1
4	Comair	4,855	5,653	5,967	6,592	6,007	23.7	-8.9
5	Atlantic Southeast	4,971	5,447	5,809	5,510	5,679	14.2	3.1
6	Horizon	3,399	3,305	3,345	3,448	3,651	7.4	5.9
7	Mesa	N/A	N/A	3,857	3,391	3,177	N/A	-6.3
8	Pinnacle	N/A	N/A	2,488	3,007	3,156	N/A	5.0
9	Mesaba	3,174	2,974	3,179	3,315	2,535	-20.1	-23.5
10	Air Wisconsin	2,862	2,659	3,747	2,273	2,280	-20.3	0.3
11	Executive	1,918	1,812	1,979	1,568	1,589	-17.2	1.3
12	PSA	N/A	N/A	1,793	1,651	1,486	N/A	-10.0
13	Trans States	1,077	1,178	1,496	1,326	1,306	21.3	-1.5
14	GoJet	N/A	N/A	N/A	N/A	314	N/A	N/A
	Total***	35,679	41,693	55,829	56,232	56,017	9.9	-0.4

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 seven carriers reporting in both years.

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

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