

## A global labor contract: the case of the collective agreement between the Association of Flight Attendants (AFL-CIO) and United Airlines

On the surface, there is nothing much unusual about the collective agreement between United Airlines and its flight attendants' union, the Association of Flight Attendants (AFA). The contract provides for union recognition, work standards, wage rates, and a grievance procedure, all of which are typical features of any other U.S. union contract. Except for the definition of a "holiday" being 10 different days in each of eight countries, one might never guess that this union contract is actually a global union contract – a single set of terms applied to a global workforce of more than 24,000 flight attendants from 40 different countries.

In the early 1990s, United Airlines began to open foreign bases and hire foreign nationals in London, Paris, Taiwan, and Hong Kong. The Company reasoned that it was less expensive to hire foreign nationals to work in their own countries than to pay overseas costs to American flight attendants. It also saw a marketing advantage to employing foreign nationals who were fluent in the languages and familiar with the cultures of their customers. However, from the United Airlines flight attendants' point of view, the opening of these foreign bases (or "international domiciles") and hiring of foreign nationals posed a direct threat to their job security and to their seniority rights to fly higher-paying international routes.<sup>1</sup>

Faced with the threat of being down-sized, outsourced, and globalised out of their jobs, the flight attendants chose to seek company-wide representation of all of United Airlines' flight attendants, regardless of nationality. The unique collective agreement signed in 1996 provides for the same wage rates for all flight attendants, whether they are from Hong Kong or from Paris. It maintains the same seniority rights for Japanese flight attendants as for British ones, and it provides the same grievance procedure to members in Chile as in Taiwan. There are strict limits on the amount of work that can be conducted out of international domiciles, limits on the growth allowed for international domiciles in relationship to domestic bases, and there are bidding rights into any job category regardless of nationality.

In practice, this contract is undoubtedly easier for flight attendants to implement than it would be for most other workers. For one thing, all United Airlines flight attendants speak at least some English, so there is a common language. For another, their wage rates are neither so high as to be extravagant for lower-cost countries, nor are they so low that they impoverish flight attendants in higher-cost countries. Flight attendants are also accustomed to travelling, so they have no problem with getting onto an airplane and flying to a grievance meeting half way around the world.<sup>2</sup>

<sup>1</sup> Borer, David (1995) "Doing Battle: Flight Attendant Labor Relations in the '90's," *Handbook of Airline Economics*. McGraw-Hill Companies, pp. 563-568.

<sup>2</sup> Borer, David. Letter to Katie Quan dated 26 August 1999.

Are there challenges to having a global labor contract? The AFA has indeed found some. Scheduling bargaining committee meetings over 17 different time zones—is a challenge. Avoiding lawsuits contesting representation rights of a U.S.-based union is a challenge. Developing relationships with foreign flight attendants unions who feel that they should have jurisdiction is yet another challenge.<sup>3</sup>

But all in all, most of these are challenges are the kind that trade unionists dream about having. For the millions of workers all around the world who have lost their jobs because of outsourcing in the global economy, the United Airlines flight attendants' contract provides an exciting new model for a global labor movement.

*Katie Quan*  
*John F. Henning Center for International Labor Relations*  
*Email: [kquan@uclink4.berkeley.edu](mailto:kquan@uclink4.berkeley.edu)*

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<sup>3</sup> Borer, David. Interview by Katie Quan on 10 October 1999.