



The Airlines Crisis • Explained

- Americans are sick of being ripped off. Look no further than what's happening with our airline industry.
- Tens of thousands of flights have either been canceled or delayed in recent months, causing passengers and crew to miss valuable time with family and friends, medical appointments and other important life events, and stranded in airports across the country.
- The heavily consolidated airline industry is telling the public it's all due to weather, air traffic control and COVID related crises – and they're lying because they think they can get away without accountability.
- When airlines needed help staying afloat during COVID, taxpayers bailed them out – with a \$54 billion relief check. How are we repaid? With a year of delayed flights, last minute cancellations, and skyrocketing ticket prices. If it smells like a scam, that's because it is.
- Despite requirements in the pandemic bailout that barred them from laying off any workers, their workforce still shrunk by about [56,000 people](#) by fall of 2021 and encouraged early pilot retirements, leading to a staff shortage crisis. North America is expected to be short over 12,000 pilots by the end of

the year. Pilots [picketed last week](#) at major airports to demand accountability and improved operations from airlines.

- But airlines kept scheduling flights anyway, knowing they did not have the staff to fly their planes. Passengers are now paying the price, and the U.S. Department of Transportation has done little to hold these airlines accountable. This despite airlines already owing passengers \$10 billion in flight refunds.
- We're fed up with bailing out giant monopolistic industries, only to have them make record profits, enrich their shareholders, and leave us stranded – in this case, literally – and expect to get away with it.
- It's the same story of corporate greed: companies would rather spend their profits to enrich their executives and shareholders – through stock buybacks and inflated CEO salaries – rather than investing in their workers or their customers.

Why you should care:

- **TAXPAYER BAILOUT:** Taxpayers bailed out the airline industry during the pandemic, but they have yet to hold their end of the deal. They care only about profit, pushing thousands of pilots and crew out of work and blaming staff shortages on COVID, not their own negligence. As if consumers are too stupid to notice.
- **FINING AIRLINES WORKS:** In 2009, the DOT [barred](#) airlines from routinely keeping passengers stuck on the tarmac for hours. American Airlines was hit with a \$900,000 fine for keeping more than 600 passengers on a tarmac for three hours. Strong enforcement and action by the DOT resulted in long tarmac delays dropping dramatically ever since.
- **BREAK EM' UP:** Because it's a consolidated industry, airlines are continuing to amass power – boasting record profits in 2022 and over [\\$108 million spent on lobbying in 2021](#). They're too big, they're too powerful, and it's time for more and more voices to call on the government to hold them accountable. JetBlue Airways and Spirit Airlines' recent [merger announcement](#) is an

opportunity for leaders to loudly oppose all merger attempts to avoid them from becoming even more powerful.

Key Stats:

- More flights were [canceled](#) in the first six months of 2022 (121,918) than in the entirety of 2021 (121,552).
- Consumer complaints over flight refunds rose to 89,518 in 2020 – a [57x increase](#) from the Department of Transportation’s 2019 report of only 1,574 complaints. Sen. Ed Markey estimates consumers are still owed \$10 billion in unpaid refunds.
- North American airlines are forecasted to reach [\\$8.8 billion in profit](#) in 2022.
- The air transport industry as a whole spent over \$108 million on lobbying in 2021 – which is the [10th largest presence](#) in the country. The airlines themselves spent almost \$24 million.
- The Obama administration issued an average of 37 consumer protection fines per year while the Trump administration issued an average of 11 per year. The DOT, under Secretary Pete’s leadership, has only [issued](#) 4 in 2021.

Have a question about corporate power or an idea for an upcoming edition? Please let us know. If you know a fellow advocate, leader, or organization who would also benefit from this, please encourage them to [sign up here](#).

If you need a deeper dive into the airline industry or have any questions, let us know! Please reach out to our Communications Director, Bianca Recto for more information and guidance: bianca@fightcorporatemonopolies.org

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