Under the Radar

How Airline Outsourcing of Passenger Services Compromises Security and Service Quality at LAX

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“I was told to search the airplane cabin for suspicious items, but I never had training on what kinds of things I should look for.”
—Xiomara Osorio, LAX passenger service worker

“You have to be careful lifting people with disabilities or else you’ll injure the passenger and yourself. A while back, a passenger in a wheelchair was dropped and got hurt pretty badly. The attendant felt terrible, but he had no training on how to do this correctly.”
—Tim Maddox, LAX passenger service worker

“Our equipment is not well maintained, and it’s not safe for the passengers or for us. Few of the wheelchairs I use have brakes that work, so I have to hold onto the wheelchair to keep it from moving.”
—Carolina Franco, LAX passenger service worker
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Introduction

Los Angeles International Airport (LAX) is one of the city’s most prized public assets. As the fifth-largest passenger airport in the world, LAX is a major economic engine for the Los Angeles region. Given the airport’s importance to the regional economy, local officials have recently undertaken major initiatives to improve operations at LAX. Los Angeles World Airports (LAWA), the city agency that operates LAX, will spend $11 billion over the next decade upgrading and renovating the airport’s terminal buildings and runways.

The airport’s size and prominence also make it a prime terrorist target. Al-Qaeda plotted to bomb the airport in 1999, seeing it as a symbol of American commerce. Since September 11, 2001, airports have become one of the highest priorities for homeland security, and the federal government has made major investments in technology and staffing to prevent terrorist attacks at airports.

However, these efforts to improve airport security and operations at LAX are undermined by the airlines’ contracting system, which jeopardizes public safety and undermines the quality of services provided to passengers. Our survey of nearly 300 passenger service workers at LAX has found that the airlines have allowed their contractors to put the security and the health of the public at risk, while failing to provide adequate services for passengers with disabilities. Meanwhile, LAWA has little oversight in this area, even though these contractors provide vital security and passenger services on airport property. Although the duties of airline contracted service workers are vital to the health and safety of the traveling public, these workers are poorly compensated, receive little training, and have few incentives to stay in their jobs long term.
Findings
Airlines are compromising security at LAX by failing to ensure that their contractors provide adequate training to passenger service workers.

- At LAX, it is possible to board an airplane with only a contracted security worker checking the passenger’s ID. However, less than 20 percent of surveyed workers with security duties have received formal training on spotting fake IDs.

- Less than 25 percent of surveyed workers with security duties have received formal training on conducting plane searches for dangerous items. Workers say they have as little as 15 minutes to conduct these searches.

- Only one in four surveyed workers with security duties has received training in identifying suspicious behavior. Other airports such as Boston’s Logan International and Miami International have instituted training for all airport employees in “behavior pattern recognition,” which employs advanced techniques for identifying suspicious behavior.

- Only 10 percent of passenger service workers surveyed have received formal training in terminal evacuation and emergency procedures.

Airlines at LAX are not providing adequate services to passengers with disabilities and the elderly due to equipment problems, lack of training, and understaffing.

- In recent years, major airlines such as Northwest, America West, Southwest, and JetBlue have been found by the U.S. Department of Transportation (DOT) to be violating federal regulations protecting passengers with disabilities. In 2005, 13,000 disability-related complaints were filed with DOT against the airlines.

- At LAX, 75 percent of wheelchair attendants surveyed reported problems with broken or malfunctioning wheelchairs and nearly a third said a passenger has been in danger due to equipment problems or lack of training. More than 60 percent of wheelchair attendants surveyed have not received formal training in how to lift a passenger with a disability.

- Passenger service workers at LAX have filed a complaint with the Department of Transportation alleging that a major contractor and its client airlines are in violation of federal regulations protecting passengers with disabilities. Workers allege that Aero Port Services is not providing the training and staffing required under the Air Carrier Access Act (ACAA).

Airline cost-cutting is jeopardizing the health of the public and undermining service quality.

- More than one-third of cabin cleaners surveyed said they sometimes don’t have enough time or staff to change all the pillowcases and blankets on the plane. As a result, passengers may be coming into close contact with used items that could spread germs and disease.

- More than half of all workers surveyed said they often do not have adequate equipment or enough staff to do their jobs well.

Multiple contractors operating in the same terminal for different airlines creates an inefficient system that is inconsistent and lacks coordination.

- At the Tom Bradley International Terminal, seven different passenger service contractors operate simultaneously.

- Standards are inconsistent across airlines and terminals. Workers report that contractors provide more wheelchairs to airlines that complain the loudest, rather than to those that have the most passengers in need.

- Fierce competition between airlines means they have little incentive to share resources to meet unexpected passenger demands. For example, airlines using
different contractors for wheelchair service in the same terminal will not call on each other for assistance if there is a sudden high demand.

Contracted security workers are still working in pre-9/11 conditions, with little training, poor compensation, and few incentives to stay in their jobs long term.

- Before 9/11, airport security screeners were contracted by the airlines. They became federal employees in an effort to improve security by increasing training, improving compensation, and reducing employee turnover.

- Contracted passenger service workers have important security functions, yet still face substandard conditions.

- Turnover is high among passenger service workers surveyed. Twenty-five percent of passenger service workers have been at their job for less than a year and more than 50 percent have been there for three years or less.

Passenger service jobs contribute to poverty in many low-income communities already affected by airport air pollution and noise.

- The average earnings of surveyed workers are less than $19,000 per year, which is not enough to meet the cost of basic necessities for living in Los Angeles. On average, workers surveyed have to pay more than $3,000 per year for family health coverage, if it is available at all.

- More than 60 percent of workers surveyed live in high-poverty communities surrounding the airport and in South Los Angeles. Many of these communities bear the brunt of airport emissions and lie in its flight path.

- Taxpayers bear the costs of poverty jobs when workers rely on government assistance programs and overburdened public health facilities.

Recommendations

In the absence of federal standards, and with the airlines focused on their bottom line, Los Angeles World Airports (LAWA) has an important role to play in increasing accountability.

- LAWA should follow the lead of other airports, such as San Francisco International Airport and airports in Europe, which have greater oversight regarding the provision of vital airport services.

- LAWA should use a competitive bidding process to select a group of pre-qualified airline contractors that are allowed to operate at its airports.

- LAWA should institute performance standards for passenger service contractors. Setting standards for employee training, service quality, security procedures and job quality will address some of the problems documented in this report.

- LAWA should enforce its performance standards by imposing penalties on contractors that fail to meet them. There should be a process for workers and members of the public to file complaints against contractors.

- LAWA should limit the overall number of passenger service contractors in order to improve efficiency and coordination. LAWA should also limit the number of contractors that operate in each terminal.
Passenger service workers perform important security functions and are the airports’ ambassadors to the public. Much of a passenger’s airport experience will be shaped by the services provided by checkpoint staffers, baggage porters, and wheelchair attendants.
Chapter 1: The Airline Industry Race To The Bottom

- Changes in the airline industry have led to cost-cutting pressures.
- Airlines use a system of low-bid contracting to provide security and passenger services.
- Although the airlines struggled after September 11, 2001, the industry is now clearly on the road to recovery.
- Contracted security workers are still working in pre-9/11 conditions with little training, poor compensation, and few incentives to stay in their jobs long term.

INTRODUCTION

Los Angeles International Airport (LAX) is one of the city’s most prized public assets. LAX is significant both as a major economic engine for the Los Angeles region and also for its importance to homeland security. It is the world’s fifth busiest airport and ranks seventh in air cargo tonnage handled. LAX contributes an estimated $70 billion annually to the economy, and one in 20 jobs in Southern California is attributed to its operations. LAX is directly responsible for 59,000 jobs at or near the airport.¹

A 2006 Rand Corp. report on security at LAX found “that there are good reasons to believe that LAX is viewed by some terrorist organizations as an attractive target.”

LAX is also a major national terrorist target. Not only have airports become one of the highest priorities for homeland security since September 11, but LAX has been specifically targeted by terrorists in the recent past.² In 1999, an Al Qaeda plan to blow up a terminal at LAX during the crowded holiday season was foiled after one of the plotters was stopped at the Canadian border in a car loaded with explosives. According to the perpetrator, Al-Qaeda saw the airport as a symbol of American commerce.³ A 2006 Rand Corporation report on security at LAX concurs “there are good reasons to believe that LAX is viewed by some terrorist organizations as an attractive target.”⁴

In recent years, local officials have undertaken major initiatives to improve the physical infrastructure at LAX. Los Angeles World Airports (LAWA), the city agency that operates LAX, will spend $11 billion over the next decade upgrading and modernizing terminal buildings and runways.⁵ Despite these initiatives, our research has found that efforts to create a world-class airport are hampered by an airline low-bid contracting system that creates pressure to cut costs to the minimum, while meaningful regulatory standards and public oversight are lacking.

At LAX, 2,500 passenger service workers employed by airline contractors provide vital services such as security staffing, wheelchair services, baggage handling, and janitorial services. This report explores the effects of the airline’s system of low-bid contracting on security standards and the quality of services provided to passengers. Much of the information in this report comes from the LAX Job Quality Survey, which is of nearly 300 workers conducted by the Los Angeles Alliance for a New Economy (LAANE) in March and April 2007. For more information on the survey methodology, see Chapter 2.

The current system of airline contracting has been shaped by major changes in the airline industry since the 1970’s. In this chapter, we explore how these changes have led to cost-cutting pressures and the increased use of low-bid contracting. We also describe the vital duties performed by passenger service workers and how they affect airport security and the quality of services provided to passengers.

CHANGES IN THE AIRLINE INDUSTRY HAVE LED TO COST-CUTTING

Airline operations at LAX, like at other U.S. airports, have been affected by industry restructuring. In 1978, the airline industry was deregulated through federal legislation. Following deregulation, ticket prices dropped significantly and price competition increased.⁶ This created strong incentives for the airlines to cut costs. One of the main architects of airline deregulation has conceded that although consumers have benefited from lower ticket prices, “The skies have become more crowded and airlines may, under pressure of competition, have cut corners.”⁷

According to The Wall Street Journal, airlines have cut wages and benefits so much that “a growing number of airline jobs are more akin to those at a fast-food restaurant,” leading to problems with recruitment and retention of employees.

More recently, the September 11 attacks caused significant financial challenges to the industry, which led to another
round of cost-cutting. Passenger volume dropped sharply after September 2001, and many major airlines declared bankruptcy. After September 11, Congress moved quickly to provide $15 billion in cash grants and loan guarantees to airlines.\footnote{Labor costs have been a major focus for the industry’s cost-cutting. According to The Wall Street Journal, airlines have cut wages and benefits so much that “a growing number of airline jobs are more akin to those at a fast-food restaurant,” leading to problems with recruitment and retention of employees.\footnote{Meanwhile, major airlines shed 38 percent of their total workforce between August 2001 and October 2006, even though passenger volumes have returned to pre-9/11 levels.}}

According to a University of California, Berkeley study, low-bid contracting among airline service contractors at San Francisco International Airport (SFO) resulted in an unstable workforce that was “more likely to be employed on a contingent basis, with little training or long-term career prospects.”

Earlier this year, the inspector general of the Department of Transportation (DOT) reported that “outsourcing [aircraft] maintenance has been a primary tool that air carriers have used in recent years to reduce costs.”\footnote{Concerned about the quality of work being done, the inspector general recommended the FAA strengthen its oversight of the airlines’ use of these contractors. According to a U.C. Berkeley study, low-bid contracting among airline service contractors at San Francisco International Airport (SFO) resulted in an unstable workforce that was “more likely to be employed on a contingent basis, with little training or long-term career prospects.”\footnote{Under a low-bid contracting system, contractors face intense pressures to cut costs. As an airline security contractor told the Associated Press in 2001, “We were underbid in contract after contract. The rates they wanted us to come in at were untenable.”}}

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The contracting system has led to a proliferation of airline service contractors. The U.C. Berkeley report found that, although 80 percent of all airport workers provide services to airlines, they directly employ only two-fifths of the workers in lower-paid occupations.\footnote{At LAX, there are more than 30 contractors performing service work for the airlines.}

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**AIRLINE SERVICE QUALITY HAS DECLINED IN RECENT YEARS**

As the airlines have increasingly focused on cutting costs since September 11, objective measures of the quality of service provided to passengers have declined. The Airline Quality Rating (AQR) report compiles statistics from the Department of Transportation on denied boardings, on-time flights, mishandled baggage, and customer complaints.\footnote{The AQR ratings from past years show an overall decline in the industry since 2003.} The AQR report concluded the airlines’ low-bid contracting system “created a national race to the bottom in the wages and working conditions of pre-board security screeners and others fulfilling important airport security functions.”

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**A SYSTEM OF LOW-BID CONTRACTING**

One of the airlines’ cost-cutting strategies has been to reduce labor costs, in part through the increased use of low-bid contracting.\footnote{The U.C. Berkeley study, low-bid contracting among airline service contractors at San Francisco International Airport (SFO) resulted in an unstable workforce that was “more likely to be employed on a contingent basis, with little training or long-term career prospects.”} Because the airlines’ workforce is highly unionized, the airlines have historically faced challenges to reducing compensation for their own employees, making the use of outside companies more attractive. Since deregulation in the late 1970s, many functions that used to be performed by airline employees have been contracted out to companies paying lower wages and benefits.

**THE AIRLINE INDUSTRY ON ROAD TO RECOVERY**

Although the airlines struggled after September 11, the industry is now showing signs of recovery. The volume of nationwide passenger travel climbed back to pre-9/11 levels in 2005, and continued increases are projected, as shown in Figure 1.1. The FAA projects that traffic will increase by the equivalent of two major hub airports each year through 2020, and that passenger volume will hit the 1 billion mark by 2015. At LAX, passenger travel has been...
steadily returning to pre-2001 levels and exceeded the 61 million mark in 2006. International travel in particular, has returned to pre-2001 levels.\textsuperscript{21}

The airline industry has begun to reap the benefits of this increase in passenger traffic. The Air Transport Association (ATA) has announced that the industry will post earnings of between $2 billion and $3 billion in 2006 and projects profits of $4 billion for 2007, reversing the downward trend seen over the past six years.\textsuperscript{22} The ATA stated that rising profits were a result of a rebound in air travel, an increase in cargo shipments and continued cost-cutting by airlines.

Regional and low-cost airlines in particular have been able to maintain consistent profitability and increase their share of the domestic market.\textsuperscript{23} According to Southwest Airlines' 2006 Annual Report, the airline “posted its 34\textsuperscript{th} consecutive year of profitability, which is a record unmatched in the airline industry.”\textsuperscript{24} In addition, the company reports that “annual profits (economic) were up nearly 40 percent” in 2006.

**CONTRACTED PASSENGER SERVICE WORK AT LAX**

This report focuses on passenger services that are provided by airline contractors in areas frequented by the public, including airport terminals and airplane cabins. Passenger service work is integral to airport operations and includes security services, wheelchair services, baggage handling, and janitorial services. The duties performed by contracted passenger service workers are detailed in Table 1.1. There are approximately 2,500 passenger service workers at LAX.\textsuperscript{25} Table 1.2 lists the contractors providing these services and their major airline clients.

Passenger service workers perform important security functions and are the airport’s ambassadors to the public. Much of a passenger’s airport experience will be shaped by the services provided by checkpoint staffers, baggage porters, and wheelchair attendants.

Passenger service workers have crucial security functions. Some employee duties are directly related to security, including searching airplane cabins for dangerous items, guarding planes, and staffing security checkpoints. Other duties have security-related effects, such as baggage porters who are a key link in the baggage screening process, and cabin cleaners, who have first-hand knowledge of the presence of dangerous items on airplanes.

Regardless of whether passenger service workers have specific security duties, all of these employees have first-hand knowledge of day-to-day airport operations and can be the eyes and ears that provide an early warning of suspicious items or behavior. Their professionalism, training, and preparation are essential as part of an overall strategy against terrorist attack. In addition, they are all part of the airport’s emergency response system and their knowledge and preparation is important to effective terminal evacuations.

Passenger service workers are also the airport’s ambassadors to the public. Much of a passenger’s airport experience will be shaped by the services provided by checkpoint staffers, baggage porters, and wheelchair attendants. In addition, cabin cleaners’ responsibilities to provide fresh pillows and blankets and sanitize food storage and restroom areas have important implications for public health.

Despite the important role of this workforce, this report will show that contracted passenger service workers at LAX receive poor compensation, little training, and have few incentives to stay in their jobs long term. In addition, the airlines’ failure to set standards for their contractors has led to poor service quality and increased risks to security and public health.

**TROUBLING PARALLELS TO SCREENERS BEFORE SEPTEMBER 11**

The conditions faced by passenger service workers show a disturbing similarity to those experienced by airport security screeners before the September 11 attacks.
Although the importance of a professionalized and trained security screening workforce is now commonly accepted, conditions prior to September 11 were very different. These workers are now employed by the Transportation Security Administration (TSA), which enforces strict standards for training. Before the September 11 attacks, screeners were employed by private airline contractors who paid low wages and provided few benefits. A 2000 General Accounting Office (GAO) report found screener performance was impaired by lack of training and high turnover rates, which posed significant risks for airport security.

Despite this warning, and attempts by the employees themselves to bring attention to their conditions, it was only after the September 11 attacks that conditions were improved. Currently, contracted passenger service workers—many with specific security duties—face similarly poor conditions. It would be tragic if it took another terrorist incident to draw attention to the importance of this workforce.

THE AIRLINES’ FAILURE TO SET STANDARDS

Under the current system of airport security, responsibility is divided between numerous parties: the airlines, the FAA, the TSA, and the local airport agency. The federal agencies regulate many areas of airline security and service quality. However, when it comes to the contracted passenger service workforce, regulation and standards are not comprehensive. In the absence of federal or local regulation, the airlines are responsible for setting performance standards for their contractors. This report will show that the airlines have failed to ensure that their contractors meet high standards for security and service quality.

The airlines’ failure to correct clearly identified security risks has been documented in reports by the Rand Corporation. In a 2004 report, Rand warned that crowds of passengers waiting in line in terminal lobbies posed a serious risk in the event of a bomb attack. Reducing these crowds by increasing staffing was identified as a low-cost option that would “greatly reduce the risk of terrorism at LAX,” and Rand recommended immediate action by the airlines and TSA.

The Rand Corporation warned that long lines in terminal lobbies at LAX pose a serious risk in the event of a bomb attack. However, airlines have failed to make simple staffing changes to correct this problem.

However, a report completed by Rand two years later concluded that “the crowded public areas at LAX continue to be an attractive target for terrorist bombs.” Although the TSA took action to increase their staffing, according to the report’s author, Donald Stevens, major airlines such as Southwest, United, and American have not taken action to address the problem. According to Stevens, these three airlines could decrease the crowds in their terminals with
small staff increases or redistribution of existing staff, but they have failed to act. Southwest, in particular, regularly allows wait times of nearly a half hour, and even reduces staffing when wait times fall below that level.

Rand stated in its 2006 report that it was “working with LAWA to develop a plan to motivate the airlines to help reduce the crowding in terminals [emphasis added].” The airlines clearly have failed to take action to correct a situation that continues to put the traveling public at risk. Rand estimated the total cost of eliminating crowding in terminals would be $4 million per year. It would be unfortunate if the airlines’ bottom-line cost considerations have come before passenger safety in this case. Regrettably, this report will show that when it comes to their contracted passenger service workforce, too often this bottom-line mentality means that security and service quality suffer.

Table 1. LAX Passenger Service Subcontractors

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<th>Terminal</th>
<th>Major Airlines</th>
<th>Passenger Service Contractors</th>
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<td>1</td>
<td>America West</td>
<td>Aviation Safeguards</td>
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<td>Southwest</td>
<td>G2 Secure Staff</td>
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<td>US Airways</td>
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<td>Northwest</td>
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<td>3</td>
<td>Virgin</td>
<td>Aviation Safeguards</td>
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<td>4</td>
<td>American</td>
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<td>World Service</td>
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Sources: LAWA Airfield Permits Unit, LA Bureau of Contract Administration, SEIU
As a result of inadequate training and poor equipment, nearly a third of all surveyed wheelchair attendants said they have had a passenger in a dangerous situation.
Chapter 2: Impact On Security, Service Quality and Public Health

- Airlines are compromising security at LAX by failing to provide adequate training to passenger service workers.
- Airlines at LAX are not providing adequate services to the elderly and passengers with disabilities because of equipment problems, lack of training, and understaffing.
- Public health is put at risk by inadequate cleaning of airplane cabins.
- Multiple contractors in the same terminal lead to inconsistency and a lack of coordination.

Our survey of contracted workers reveals that workers are poorly paid, under-trained, under-staffed, and ill-equipped to do quality work. These conditions have serious implications for security, public health and service quality.

LAANE surveyed 275 contracted passenger service workers at LAX between March and April of 2007. Workers surveyed for this report represent approximately 10 percent of all passenger service workers at LAX. Although the survey was not based on a random sample, all major passenger service contractors and occupations are represented.

Survey questions covered a range of issues including compensation, training, service quality, and work place standards. The survey questionnaire is included in Appendix A. More comprehensive follow-up interviews were conducted with a smaller segment of workers. In addition, a broad range of secondary sources including federal, state and local government, the airline industry, and academic publications further supplement the findings in this chapter.

**LACK OF TRAINING COMPROMISES SECURITY**

Security workers perform a variety of tasks associated with safety and security at the airport including conducting airplane searches for suspicious items, checking passenger identification, controlling access to secure areas of the airport and the airplanes, and crowd control. Fifteen percent of all passenger service workers in our survey reported having security duties, although the number may be higher because workers often rotate duties. Despite their critical security functions, our survey found a disturbing pattern of inadequate training for these employees, creating serious risks to airport security.

According to Gail Rossides, a senior TSA official, document checking is a critical element of security that requires higher levels of training.

In some terminals at LAX, passengers can board a plane with only a contracted security worker checking their ID. In a 2007 article, TSA Acting Deputy Administrator Gale Rossides admitted that the agency was forced to turn over the responsibility for checking documents to airlines at major airports because of budgetary shortfalls. Among workers in our survey with security duties, 75 percent do not have formal training on how to spot a fake ID or identify suspicious behavior (Figure 2.1). Despite the importance of document checking to national security, it appears that this work at LAX is left to airlines and their contractors who do not adequately train security workers.

Figure 2.1. Formal Training Received by Workers Performing Security Duties

According to Rossides, the TSA feels that document checking is a critical element of security that requires higher levels of training because “it would close a vulnerability if you had a screener trained in behavior detection who could converse with passengers while examining their travel documents. It would give an added layer of security, an extra set of eyes.” In fact, some airports have recognized the importance of training all airport workers in “behavior pattern recognition,” which identifies potentially dangerous individuals by their behavior patterns, not their personal characteristics or a physical search. Both Miami International
Airport and Boston’s Logan International Airport have adopted such a training program for all airport staff, including passenger service employees.\textsuperscript{33}

Equally troublesome is the fact that one in four workers surveyed with security duties has not received formal training on how to conduct a plane search. Eleven workers who perform airplane searches have signed written statements saying they have received no formal training on what to look for, or procedures to follow if they find a potentially dangerous item. These workers also report difficulties in performing effective searches due to understaffing. Sometimes, they have as little as 15 minutes to search the entire plane including seats, overhead bins, closets, and lavatories.

Workers report they are asked to sign their names on a checklist showing the aircraft has been thoroughly searched, but many are uncomfortable doing this given their lack of training and adequate time periods. However, they can face retaliation, including termination, if they refuse to sign the form. Cabin cleaners can also come into contact with potentially dangerous items while cleaning aircraft, but lack training. One-third of cabin cleaners we surveyed reported they have not received training on how to identify a suspicious item and what to do if they find one.

Finally, we found that very few employees in our survey with security duties had formal training on how to react in an emergency. Just 15 percent have training on procedures in an emergency or how to evacuate a terminal. Emergency response training should ideally be given to all workers at the airport to safeguard traveler and worker safety, but among all passenger service workers, only 10 percent had this training.

**OTHER RISKS TO SECURITY**

Another security risk identified by our survey involves baggage screening. Contracted porters in the Tom Bradley International Terminal (TBIT) are responsible for transporting baggage to the screening machines, making sure it gets to the correct passenger, and then to the ticket counter. In some cases, passengers insist on accessing their luggage after it has been screened. According to our survey, 36 percent of porters said some bags are not rescreened if a passenger opens it, defeating the purpose of the TSA screening.

Low retention rates also affect airport security. Higher rates of retention mean that employees can develop the necessary skills and experience to meet high standards for security and service quality. However, more than half of all passenger service workers in our survey have been at their jobs for three years or less. A quarter of the workforce has been on the job for less than a year. Ultimately, improvements in worker training will largely be wasted if employees leave for better jobs.

**PASSENGERS WITH DISABILITIES AND THE ELDERLY ARE ESPECIALLY AFFECTED**

In 1986, Congress passed the Air Carrier Access Act (ACAA), which set criteria to ensure that people with disabilities received consistent and nondiscriminatory treatment when flying. In 1990, the Americans with Disabilities Act (ADA) was passed to more broadly cover discrimination based

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**Inadequate Cabin Searches**

“I used to search the cabin for dangerous items, but when the company asked me to sign a paper saying that the airplane had been properly checked, I refused. I’ve never had training on how to search a plane, so I don’t know what I’m looking for and what the procedures are if I find something. Sometimes the TSA or the company checks our work by leaving pieces of paper on the plane to see if we find them. Some workers didn’t find them, because they weren’t trained and they didn’t have enough time to search, and they were punished.”

- Xiomara Osorio, Aero Port Services

![Figure 2. 2. Emergency Response Training Received by Security Workers](image)
on disability and the Department of Transportation (DOT) issued regulations to enforce both acts.\textsuperscript{34}

Since the passage of these laws, some major airlines have been penalized for failing to meet federal standards. In 2001, the DOT charged Northwest with violating ACAA and DOT regulations, based on hundreds of violations and testimony from mistreated passengers.\textsuperscript{35} The DOT sought $3 million in penalties for what it found to be egregious violations. America West, JetBlue, and Southwest have also been found guilty of violations.\textsuperscript{36}

In response to stepped-up enforcement, some airlines took steps to address these problems by focusing on the training and staffing of contracted workers\textsuperscript{37} as well as airline employees. Delta increased training for employees and contractors who are likely to interact with disabled passengers. America West took the additional step of switching wheelchair service contractors while American spent an additional $1 million on contractors to provide aides for passengers.\textsuperscript{38}

Disability rights advocates are not surprised by growing numbers of disability-related complaints. In a 2005 \textit{USA Today} article, Bob Herman, senior attorney with Paralyzed Veterans of America, commented that wheelchair users often experience significant delays for service and attendants don’t know how to lift a person with a disability.

However, recent DOT reports reveal that problems continue. In 2004, the DOT enhanced its monitoring by recording disability-related air travel complaints separately. In the first year, the DOT recorded more than 10,000 complaints. Two-thirds of these complaints involved problems with wheelchair service, including damaged chairs and long waits for service.\textsuperscript{39} In 2005, the number of disability-related complaints increased by 2,000.\textsuperscript{40}

These findings were not surprising to disability advocates, who contend that airlines have a poor track record in this regard. In response to the 2004 DOT report, Bob Herman, senior attorney with Paralyzed Veterans of America, commented that wheelchair users experience delays of up to an hour for service and wheelchair attendants don’t know how to properly lift a person with a disability.\textsuperscript{41}

Our survey of wheelchair attendants found problems very similar to those voiced by disability advocates. At LAX, poor wheelchair services stem from inadequate equipment and worker training. The majority of wheelchair attendants surveyed had no formal training on how to lift a traveler with a disability, risking the health of passengers and workers alike (Figure 2.3). In addition, a dismal 6 percent of attendants reported receiving training on how to administer first aid or CPR, despite working in a capacity that might require knowledge of these basic medical skills.

As a result of inadequate training and poor equipment, nearly a third of all surveyed wheelchair attendants said they have had a passenger in a dangerous situation.
Poorly-maintained wheelchair equipment further increases the chances that passengers will be harmed. Seventy-five percent of wheelchair attendants surveyed reported problems with broken or malfunctioning wheelchairs. One worker stated that none of the wheelchairs she uses has functioning brakes. The attendant must hold onto the wheelchair to keep it from moving involuntarily. This may be a violation of federal regulations, which state that airlines are required to have procedures in place concerning the “proper and safe operation of any equipment used to accommodate individuals with a disability.”

As a result of inadequate training and poor equipment, nearly a third of all surveyed wheelchair attendants said they have had a passenger in a dangerous situation (Figure 2.4). In one instance, a wheelchair footrest became unhinged and the attendant had to grab hold of the passenger to keep him or her from falling forward. Nearly half of all wheelchair attendants surveyed indicated that they have been responsible for more than one passenger at a time because of short-staffing (Figure 2.4). Often this means that a passenger must wait longer for assistance or attendants must travel back and forth between two passengers. Wheelchair attendants say they cannot devote their full attention to helping a passenger, whether that entails helping them fill out paperwork, collect baggage, or locate their parties.

PUBLIC HEALTH IS UNNECESSARILY PUT AT RISK

Travelers should be concerned about the sanitary state of airplanes, given recent steps taken by airlines to reduce costs. Airlines are flying planes fuller and charging for in-flight meals in an effort to cut costs. This has resulted in more passengers on each flight and more who bring their own food, increasing the amount of trash that is left on planes. However, the outsourcing of cabin cleaning services means that airlines are not directly responsible for the cleanliness of their planes. Joe Brancatelli, travel writer for USA Today and editor of an online resource for business travelers, argues that when work, such as cleaning, is outsourced, “it’s another part of the airline business that goes to the lowest bidder.”

Joe Brancatelli, travel writer for USA Today and editor of an online resource for business travelers, argues that when work, such as cleaning, is outsourced, “it’s another part of the airline business that goes to the lowest bidder.”

While airlines do periodically deep clean their planes (detailed and vigorous brushing, scrubbing and vacuuming of planes), industry cost-cutting pressures may have affected the frequency of cleanings. In 2006, Delta airlines admitted its planes were deep cleaned only once every 15 to 18 months, while the industry standard is approximately every 30 days. Delta has since increased the frequency of deep cleanings, but other airlines have had problems with cleanliness. US Airways and Northwest Airlines received the lowest scores for cleanliness, according to a J.D. Power and Associates survey.
More than one-third of cabin cleaners surveyed said they don’t have the time or staff to change all the pillowcases and blankets.

Airline standards for plane cabin cleaning also have implications for public health in an era of potential global disease epidemics. According to the national Centers for Disease Control and Prevention, diseases such as tuberculosis, measles, and influenza can be transmitted in-flight, while the emergence of SARS and Avian Flu have caused worldwide concern over the spread of pandemic disease through air travel.¹⁶

**Poorly-Maintained Wheelchairs**

“Our equipment is not well maintained, and it’s not safe for the passengers. Few of the wheelchairs I use has brakes that work. I have to hold onto the wheelchair to keep it from moving. If I have to step away, the wheelchair might roll and the passenger could get hurt.”

- Carolina Franco, Aviation Safeguards

Our survey of contracted workers who clean planes raises serious concerns regarding the quality of cabin cleaning. More than one-third of cabin cleaners surveyed said they don’t have the time or staff to change all the pillowcases and blankets. One-third also said they were unable to do high quality work due to insufficient staff, while 40 percent said they didn’t have enough time. Planes are cleaned between flights, but even then, cabin cleaners say they can’t do a thorough job.

Workers are also ill-equipped. Almost half of all cabin cleaners said they do not have the appropriate equipment or materials and just as many say they use the same chemicals to clean lavatories as the main cabin. In addition, a full two-thirds said they were not trained on how to use the chemicals properly (Figure 2.5).

**SERVICE QUALITY SUFFERS**

Cost-cutting by contractors compromises service quality in other ways. More than 50 percent of workers surveyed feel they cannot do high quality work because of inadequate staff or equipment regardless of the type of work.

As a result, passengers are forced to wait longer and receive less attention. Seventy-one percent of porters and skycaps surveyed said passengers have to wait for their bags because there is not enough staff. Errors also become more frequent. A third of surveyed porters and skycaps said passengers have also received the wrong bags. The result of all this is a bad experience for travelers. Airlines have allowed passenger service to decline despite reports, including one by J.D. Power and Associates, which find that carriers that focus on people and processes have greater passenger satisfaction. In particular, the report

**Figure 2.5. Poor Quality of Cabin Cleaning**

Source: 2007 LAX Job Quality Survey

**Figure 2.6. Workers Report Understaffing and Inadequate Equipment**

Source: 2007 LAX Job Quality Survey
stresses that having the right workers and “training and enabling them to be successful, are what differentiate carriers in eyes of passengers.”

**INCONSISTENCY AND LACK OF COORDINATION**

Multiple contracted companies operating in the same terminal and beholden to different airlines creates a chaotic and dysfunctional environment. In the Tom Bradley International Terminal (TBIT) alone, seven different passenger service companies operate simultaneously. The situation at TBIT is exacerbated by the presence of baggage screening equipment in the center of the main terminal lobby. Modernization will address this issue but this project is not scheduled for completion until 2010 at the earliest. In the meantime, chaos reigns in the baggage screening system in the terminal lobby during periods of high passenger traffic.

TBIT workers report that a passenger may give his/her bags to an Aero Port Services worker to take through the TSA screening process, but it may be a Calop worker who receives the bags after screening and is responsible for getting them to the correct passenger and airline. Security lapses and baggage mistakes are more likely to occur under these conditions, yet airlines are not adequately monitoring the situation or providing oversight.

Another example of the problems created by loose coordination and oversight is inconsistent standards of service. Workers report that contracted companies provide more wheelchairs to airlines that complain the loudest, rather than dispatching wheelchairs to those airlines that have the most passengers in need. Lax control and coordination are leading to practices which are detrimental to the airport, airlines, and travelers.
The airlines’ focus on cost-cutting leads to poor compensation and working conditions for passenger service workers. The wages and benefits of this workforce are lower than those of comparable security and service workers at LAX, and many workers report compliance problems with state and local employment laws. Moreover, passenger service workers often face unsafe work environments because they are untrained, understaffed and ill-equipped.

**PASSENGER SERVICE WORKERS EARN LOW WAGES AND RECEIVE FEW BENEFITS**

Although passenger service workers are covered by the city’s living wage ordinance (LWO), their compensation still lags behind that of other airport workers, as shown in Table 3.1. When the LWO was amended to cover the airlines and their contractors in 1999, passenger service workers saw their wages increase from as low as minimum wage\(^{51}\) ($5.75 at that time) to $8.76 an hour.\(^{52}\) As of July 2006, the LWO requires wages to be at least $10.64 per hour, or $9.39 with a $1.25 employer contribution to health benefits. The LWO is an important standard for bringing workers above the poverty line. However, in cities with a high cost of living such as Los Angeles, it is not enough to ensure worker self-sufficiency, and it is too low to provide high levels of worker retention.

According to the Economic Policy Institute (EPI), a household with two working adults and two dependent children must earn $48,252 a year in order to be self-sufficient, meaning the family does not have to rely on government assistance programs to meet basic needs such as housing, food, and clothing. Assuming each wage earner brings in half of the family income, the individual self-sufficiency wage for this family type is $24,126. As shown in Table 3.1, the average passenger service worker we surveyed earns less than $19,000, well below the self-sufficiency wage.

The average passenger service worker we surveyed earns less than $19,000 a year, well below the wage required to be self-sufficient in Los Angeles.

### Table 3.1. Passenger Service Workers Earn Less Than Comparable LAX Employees

<table>
<thead>
<tr>
<th>Worker</th>
<th>Annual Starting Wage</th>
<th>Annual Cost to Worker for Family Health Benefits</th>
<th>Paid Days Off Per Year(^{66})</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of LA Security Officer(^{67})</td>
<td>$36,414</td>
<td>Free</td>
<td>25 days</td>
</tr>
<tr>
<td>City of LA Janitorial Worker(^{68})</td>
<td>$28,877</td>
<td>Free</td>
<td>25 days</td>
</tr>
<tr>
<td>TSA Screener (estimated)</td>
<td>$28,933(^{69})</td>
<td>$1,631(^{60})</td>
<td>Not available</td>
</tr>
<tr>
<td><strong>SELF-SUFFICIENCY WAGE- $24,126</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union Food Service and Retail Worker(^{61})</td>
<td>$20,607</td>
<td>Free</td>
<td>15-25 days(^{62})</td>
</tr>
<tr>
<td>Surveyed Passenger Service Worker</td>
<td>$18,824(^{43})</td>
<td>$3,108</td>
<td>12 days</td>
</tr>
</tbody>
</table>

Source: LAX Job Quality Survey, SEIU Local 721, UNITE_HERE Local 11, TSA, Contractor Health Plans
Some workers have an even more difficult time reaching this benchmark because they do not work a full eight-hour day. On average, surveyed workers with Aero Port Services (APS) receive only six hours of work a day, bringing their annual salary to just $16,598. Some APS workers say they must work a second job in order to provide for their families. Workers have also seen little improvement over the years. Our survey found that even workers who have been with the company for 10 years are making just above living wage despite years of experience.

In addition to poor pay, workers often do not have adequate and affordable health coverage. World Service, a major contractor that employs 300 workers at LAX, does not offer a health plan at all. Many of the remaining employees earn less than $10.64, with an employer contribution to health benefits. However, the mandated healthcare contribution of $1.25 per hour under the LWO is insufficient to pay for adequate health benefits. The $1.25 level has not been adjusted since the LWO passed in 1997, while health plan premiums have increased greatly since that time. In 2006, the average cost for employer-provided individual health benefits was $1.94 per hour, while the cost to employers for family benefits was $5.42 (assuming full-time work).

For passenger service workers, this means that employer-provided plans provide limited levels of coverage or have high out-of-pocket costs. G2 Secure Staff employees, for example, have a “limited accident and sickness insurance plan” which contains limits on benefits, in addition to high premiums. Not surprisingly, only 32 percent of employees enroll in the employer health plans for themselves.

While some workers can afford employer-paid individual coverage, family coverage is out of reach. On average, passenger service workers would have to pay more than $3,000 a year for family benefits, and some company plans cost workers as much as $5,000. For low-wage workers struggling to afford basic necessities such as housing and child care, this cost is nearly impossible to pay. The high cost of family healthcare for passenger service workers is in stark contrast to union and federal employees at the airport who have free family health coverage or pay a much lower premium.

The high cost of family healthcare for passenger service workers is in stark contrast to union and federal employees at the airport who have free family health coverage or pay a much lower premium.

ALLEGED VIOLATIONS OF STATE AND LOCAL EMPLOYMENT LAWS

Workers are also subjected to unfair and potentially unlawful treatment by companies. Our survey of workers raises serious questions about their employers’ compliance with state wage-and-hour laws. Evidence of violations across all companies surveyed suggests widespread systemic problems created by airlines that contract work to the lowest bidder.

Nearly a quarter of all workers surveyed stated they had not been paid correctly for overtime work. Some workers suggested that companies have a policy of under-reporting hours in order to avoid paying overtime. Workers also report working longer than state-mandated time periods without receiving breaks and lunch periods. One in five workers surveyed said they have been asked to work during their breaks as well.

Some companies, such as Aero Port Services, have a higher percentage of reported problems with break laws. More than half of all APS employees surveyed reported problems with 10-minute breaks, while one in three workers surveyed reported problems with lunch periods. Workers at APS have recently filed several complaints with the state
Division of Labor Standards Enforcement (DLSE) alleging violations of break laws.

More than a third of workers report problems, such as harassment, lost pay, warnings or punishment, when they tried to take time off. Workers with Aero Port Services have filed complaints with the city’s Bureau of Contract Administration alleging the company regularly suspends workers who call in sick on weekends.

Survey results also suggest that employers may be violating the living wage ordinance. One out of five workers said they receive less than 12 paid days off as required by the LWO. In addition, more than a third of workers report problems, such as harassment, lost pay, warnings or punishment, when they tried to take time off. Actions by one company in particular, Aero Port Services, forced three workers to file complaints with the city’s Bureau of Contract Administration, which enforces the LWO. These workers allege the company regularly suspends workers who call in sick on weekends. Another major contractor, World Service, has been under investigation by the city for living wage violations since November 2006.

Finally, for some workers, the abuses are especially egregious. One security worker with Aero Port Services says he has been harassed by management because of his sexual orientation. He claims that management has verbally abused him, humiliated him in front of other workers and cut back his hours. These actions prompted him to file a discrimination case with the state Department of Fair Employment and Housing.

**WORKERS REPORT UNSAFE WORKING CONDITIONS**

The health and safety of workers is also at risk because of inadequate training, poor equipment, and few workplace protections. State regulations outlined in the Cal/OSHA program and enforced by the California Division of Occupational Safety and Health (DOSH) require proper training and instruction to prevent injury to workers. However, our survey found that many workers do not have adequate training and equipment to prevent injuries.

Weak enforcement of safety measures endangers the health of cabin cleaners who are at risk because of the chemicals they use and the environment where they work. As Figure 3.2 illustrates, nearly two-thirds of all cabin cleaners reported that ventilation is not adequate when they clean planes. Cabin cleaners can also be hurt if the plane is in motion. Nearly one in four workers reported having been in this unsafe situation. Finally, 10 percent of workers don’t have gloves when using cleaning chemicals, while a third have not been trained on how to use these cleaning chemicals.

Insufficient protective equipment exposes workers to potentially harmful objects. Cabin cleaners and security workers may come into contact with sharp, unsanitary or even dangerous items when they reach between cushions, under seats, and into pockets. However, both cabin cleaners and security workers have indicated that the company
does not always supply them with gloves. OSHA rules specify that companies must assess the work environment to determine levels of hazard and provide training and personal protective equipment, such as gloves, for employees exposed to these hazards.  

Passenger service workers are exposed to unsafe conditions because of weak standards. Porters and skycaps repeatedly lift heavy bags, while wheelchair attendants must sometimes lift passengers. Among surveyed porters who said their employer had a weight limit, 30 percent said it is not respected. Another 42 percent of porters did not know of any weight limit. 63 percent of wheelchair attendants do not have training to properly lift passengers. On average, security officers surveyed say they stand for five hours at a time in one location but nearly a third stand for as long as eight hours, placing great strain on their feet and back. This also affects a worker’s alertness and ability to respond to emergencies.

Standards are lacking for contracted workers because there is little oversight or control. In contrast, the TSA provides very clear workplace standards for its employees. Baggage screeners, who work alongside porters and skycaps, are limited to 70 pounds. TSA security officers can rotate positions every four hours. Finally, workers are provided with personal protection equipment, such as gloves, to safeguard them from potentially dangerous items.

Conditions for passenger service workers contrast sharply with the work culture espoused by the TSA. Testifying before Congress, Kip Hawley, TSA assistant secretary, stated that “success depends on recruiting and keeping trusted, bright, well-motivated and trained people who have the right tools, and work in a positive, team-oriented and challenging environment.” The agency instituted the TSO Career Progression Initiative to improve performance and retention rates by offering better pay, good benefits, and a route to advancement. Contracted passenger service workers, who work alongside TSA employees, should also be afforded the same respect and opportunities. Successful airport operations depend on maintaining a well-trained and professional staff, which can only be accomplished by providing good wages and benefits, training and a positive work environment.
WORKERS SURVEYED LIVE IN HIGH POVERTY COMMUNITIES

More than 60 percent of workers in our survey live in communities surrounding the airport or in South Los Angeles, as shown in Figure 4.1. Workers also live in the high poverty communities of Compton, Lynwood, and Southgate farther east. Among ZIP codes in which surveyed workers live, one in four families (26 percent) live below the federal poverty level, nearly double the rate for the entire county (15 percent). In addition, more than 50 percent of households make less than $35,000 a year.

Little has changed in South Los Angeles in the 15 years since the 1992 civil unrest brought national attention to the economic and social problems afflicting this area. South Los Angeles still faces high levels of poverty and crime, while new economic investment has not materialized despite public promises. In fact, data from the California Employment Development Department found that between 1993 and 2005, average wages in South Los Angeles grew more slowly than other communities in the county.

The poorer neighborhoods in South Los Angeles also experience higher levels of crime. In the first six months of 2006, violence in South Los Angeles accounted for 43 percent of all homicides citywide. In 2006, a third of all gang-related crimes took place in South Los Angeles including homicide, felony assault, robbery, kidnapping, carjacking, and rape. Minority groups continue to be the primary victims of violent crimes because they are more likely to work in low-paying jobs and live in disadvantaged and disinvested neighborhoods.

WORKERS SURVEYED ARE PREDOMINANTLY LATINO AND AFRICAN AMERICAN

More than two-thirds of workers surveyed are Latino, while more than 20 percent are African American, which is double their percentage of the population county-wide. According to the recently released 2007 ZIP Code Data Book, Los Angeles County Service Planning Area 6, which is primarily the area of South Los Angeles, is 30 percent African American.
Latinos are the largest ethnic group, making up more than 60 percent of the population. In the neighborhoods of Inglewood, Hawthorne and Carson, Latinos and African Americans comprised 75 percent of the population.

More than two thirds of workers surveyed are Latino, while over 20 percent are African American, which is double their percentage of the population countywide.

WORKERS LIVE IN COMMUNITIES MOST AFFECTED BY AIRPORT NOISE AND POLLUTION

Communities near the airport and in its flight path disproportionately bear the cost of pollution and noise impacts from the airport. The South Coast Air Quality Management District described the Los Angeles and Long Beach ports complex and the Los Angeles International Airport as the two single largest sources of air pollution in the region. The air quality in the communities in which surveyed workers live is also affected by several major freeways that bisect the area, including the 105, 405, 110 and 10 (Figure 4.1).

Studies have found higher rates of health problems in communities surrounding the airport. Between 1998 and 2000, the California Office of Statewide Health Planning and Development (CA OSHPD) ranked cases of asthma hospitalization across the state. Among the nine assembly districts in which our surveyed workers live, six were in the top 10 with the highest rates of asthma hospitalizations. Research by the University of Southern California’s Keck School of Medicine established a strong relationship between exposure to pollutants and diminished quality of health. In particular, children residing in the most polluted neighborhoods had exacerbated asthma problems, stunted growth of lung functions, and more new cases of asthma.

Finally, several communities in the flight path are adversely impacted by the noise from jet engines, which can be as loud as 94 decibels, a level which can cause hearing problems. The communities most impacted by noise are Lennox and Inglewood, but neighborhoods several miles from the airport are also subjected to noise from aircraft. The LAX Master Plan Supplement Environmental Impact Study / Environmental Impact Report found that schools in the flight path were exposed to significant levels of exterior noise that caused disruptions in speech and elevated ambient noise levels believed to be disruptive to learning.

TAXPAYERS BEAR THE COSTS

The cost of poor quality jobs is borne not by employers, but by the public. More than half of those using major government assistance programs in California are in working families. It is estimated that providing public programs such as Medi-Cal and Food Stamps to working families cost California taxpayers more than $10 billion in 2002.

In the ZIP codes where the majority of surveyed passenger service workers reside, the use of public assistance programs such as Food Stamps, CalWORKs, and General Relief is particularly high. Nearly 40 percent of all General Relief enrollees in the county live in these ZIP codes. These neighborhoods also represent one-third of all Food Stamps recipients and CalWORKs enrollees countywide.

“I live in a neighborhood in South LA that has a lot of poverty. A lot of my coworkers live there too. It’s hard to move up and improve our families and communities with the kind of jobs that are available at LAX. The airport should be doing more to make sure that jobs at LAX pay a good wage. It would make a big difference in my neighborhood.”

- Oheri Abrifor, G2 Secure Staff
It is estimated that providing public programs such as Medi-Cal and Food Stamps to working families cost California taxpayers more than $10 billion in 2002.

Jobs that lack health benefits also create public costs and place increasing strain on the county’s overburdened public hospitals. Across the county, more than 2 million people (24 percent) are uninsured. Nearly half of people without health coverage postpone seeking medical care.

South Los Angeles, where many passenger service workers live, has the highest numbers of uninsured children in the county and the second-highest rate of uninsured adults.

Our survey of contracted passenger service workers at the airport suggests that improving their economic conditions would do much to uplift the communities surrounding the airport, which are low-income, minority and immigrant. Improving the quality of jobs can decrease poverty, increase the number who are insured and save taxpayer dollars.
In order to improve security and service quality at its airports, Los Angeles World Airports (LAWA) should increase its oversight of service contractors that operate on airport property.
Chapter 5: Conclusions and Policy Recommendations

CONCLUSIONS
The airline industry’s system of low-bid passenger service contracting, combined with a lack of public oversight, has resulted in a situation that threatens security and undermines the quality of services provided to passengers at LAX. The airlines’ focus on cost-cutting has resulted in inadequate employee training, low staffing levels, poorly-maintained equipment and substandard compensation for employees. Instead of a trained, experienced and professional workforce, many passenger service workers are unprepared for major emergencies and have little incentive to stay in their jobs for the long term.

As a major economic engine for the region, LAX should be creating good, quality jobs that enable workers to support their families and provide healthcare and other benefits. Instead, contracted passenger service jobs at LAX contribute to poverty in some of the most disadvantaged communities in the city. Taxpayers end up paying the price for poor quality jobs through government anti-poverty programs and strained public healthcare facilities.

Although most U.S. airports use the flawed model of unmonitored airline contracting to provide vital services, other airports have taken a different approach. In Europe, screening and other security functions are the responsibility of the airport and are performed by airport employees or companies contracted directly by the airport.

Closer to home, San Francisco International Airport (SFO) has recognized that substandard conditions among airport workers threaten successful airport operations. In 2000, SFO implemented the Quality Standards Program (QSP), a certification program for all airport companies with employees in security areas or with security functions. SFO officials recognized that maintaining high security standards involves more than just a focus on security screeners. Their policy covers employees from skycaps to airplane fuelers, and includes standards for employee hiring, training, and compensation. This policy exceeded federal standards for screeners at that time, and is stronger than current standards for other categories of employees.

A U.C. Berkeley study found that SFO’s QSP program improved both security and customer service at the airport. Increased training requirements led to improvements in worker performance. The QSP also lowered turnover and increased employee morale, which resulted in better employee work effort and performance.

POLICY RECOMMENDATIONS
In order to improve security and service quality at its airports, Los Angeles World Airports (LAWA) should increase its oversight of service contractors that operate on airport property. In the absence of federal standards, and with the airlines focused on their bottom lines, LAWA has an important role to play in increasing accountability.

As the airport’s owner, LAWA has a direct interest in the quality of services that are provided to passengers who use its facilities. According to a recent JD Power survey, LAX scores below average in passenger satisfaction compared to other major airports. The survey’s passenger satisfaction scores include areas such as baggage handling, where contractors play a large role. In order to make its airports more attractive to passengers, to prevent any loss of business, and to enhance security, LAWA should take the following steps to improve the quality of passenger services:

1) LAWA should use a competitive bidding process to select a group of pre-qualified airline contractors that are allowed to operate at its airports.

LAWA can ensure that contractors are qualified and that they meet high performance standards through a competitive bidding process. This process, known as a Request For Proposals (RFP), requires that companies compete against each other to provide the most attractive proposal for doing business with a government agency. This method is already used by LAWA to select the companies that provide food service, retail, parking, and other services at its airports.

Currently, the airlines select which passenger service contractors operate at LAX, and too often these decisions are determined by which contractor offers the lowest price. LAWA can require that contractors also compete based on quality of service, by requiring potential contractors to submit a detailed proposal outlining the level and quality of service they will provide if they are selected and to submit information about their qualifications and past performance. Under this system, the airlines would still be able to select among multiple contractors, while the airport would be assured that only the most-qualified contractors are operating on its property.

2) LAWA should institute contractor standards with enforcement procedures

Since the airlines have failed to ensure their contractors meet basic performance standards, LAWA should create enforceable standards in a variety of areas, as listed in Table 5.1. Standards related to employee training, security
procedures, wheelchair service, and other service quality areas would directly address some of the serious problems revealed by our research. Contractor disclosure of problems with past performance and financial stability are also necessary to select the best-qualified contractors.

In addition, evaluating contractors based on job quality and employee relations is important to increase employee retention and ensure that the benefits of increased training are not lost because employees leave for jobs with better compensation and working conditions. LAWA has an existing contractor responsibility program, which is intended to ensure that companies operating at the airport comply with all local, state, and federal laws regarding their employees. However, this policy does not adequately cover passenger service contractors, and its provisions should be strengthened.

A focus on passenger service job quality will also enable workers to lift their families out of poverty and increase the economic vitality of the communities where workers are concentrated. LAWA has existing requirements that contractors hire local residents, which will help to ensure that economic benefits flow to these communities as job quality improves. Finally, evaluating contractors based on the participation of Minority or Women-Owned Business Enterprises (MBE/WBEs) will ensure that traditionally under-represented groups have access to airport contracting opportunities.

Once contractors are chosen and operating at the airport, LAWA should have the authority to impose penalties if standards are violated. Sanctions could include financial penalties, a temporary suspension of operations, or being barred from future contracting. LAWA should establish a process for employees or members of the public to file complaints, and a process for investigation. Contractors should be required to submit annual reports regarding their compliance with the standards, and LAWA should have the power to audit contractor records.

3) LAWA should reduce the current number of passenger service contractors

The current system that allows multiple overlapping contractors to perform the same functions in one terminal is inefficient and uncoordinated. In order to address this problem, LAWA can reduce the number of contractors with a pre-qualification process, which the agency already uses for some of its current contracting. Through this process, LAWA can select a limited number of contractors that are qualified to operate at the airport for a designated period of time. LAWA should also limit the number of contractors allowed to operate at each terminal.

In summary, LAWA can improve airport security, protect public health, and increase passenger satisfaction by increasing its oversight of passenger service contractors. Creating enforceable standards will improve contractor performance. In addition, choosing a limited number of

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### Table 5.1. Recommended Standards for Passenger Service Contractors

<table>
<thead>
<tr>
<th>Employee Training</th>
<th>Create a minimum requirement for hours of formal training and a curriculum for each occupational category.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security and Service Quality</td>
<td>Establish specific standards for service provision, which could include required security procedures, quality of equipment, and maximum wait times for wheelchair service.</td>
</tr>
<tr>
<td>Qualifications and Previous Performance</td>
<td>Create minimum requirements for financial stability and years of experience. Contractors should disclose any problems with past performance, including investigations, audits, penalties or legal actions. Contractors should also disclose any financial problems.</td>
</tr>
<tr>
<td>Job Quality and Employee Relations</td>
<td>Evaluation in this area should include the compensation provided to workers, including wages and benefits. It should also include the disclosure of past violations of laws related to employee protection, and describe what provisions the contractor has in place to ensure fairness in the workplace.</td>
</tr>
<tr>
<td>MBE/WBE Participation</td>
<td>Evaluate whether the contractor is a minority or women-owned business enterprise, or the extent to which they will partner with such businesses.</td>
</tr>
</tbody>
</table>
contractors through a competitive bidding process will increase efficiency and coordination. Maintaining a world-class airport involves not only physical infrastructure such as terminal buildings and runways, but also the people who protect and assist the traveling public. In its role as the airport operator, LAWA is uniquely positioned to ensure passenger services at LAX contribute to excellence in airport operations.
Appendix A: LAX Job Quality Survey – Passenger Services

A. BASIC INFORMATION
Name ______________________________  Company ____________________________
Terminal ______________________________  Job Title ____________________________
Address __________________________________________  Zip code ____________
Home Phone __________________________  Cell Phone ___________________________
How long have you worked at this company? ____________
Do you consider yourself (check one): ___ African or African American  ___ Latino
___ Asian or Pacific Islander  ___ White  ___ Other

B. LABOR STANDARDS
1. How much are you paid per hour? ____ How many hours do you work per day? ____
2. If you work more than 8 hours a day or 40 hours a week, are you paid time and a half?
   Yes or No  I don’t work overtime
3. Do you ever work more than 4 hours without getting a 10 minute paid break? Yes or No
4. Do you ever work more than 6 hours without getting a 30 minute unpaid lunch break? Yes or No
5. Does the company ever ask you to do any work during your 10-minute breaks or lunch? Yes or No
6. Do you use the company health benefits? (check all that apply): ___ For Yourself  ___ For Your
   Spouse  ___ For Your Children
7. How many paid days off do you get per year? (holidays, vacation, sick days) ______
8. When you’ve taken sick days or vacation, have you been harassed, lost pay, or received a warning or
   other punishment? Yes or No

C. TRAINING AND SERVICE QUALITY
1. What types of formal training by a supervisor have you received in the past 2 years? (check all that apply)
   ___ Identifying suspicious behavior  ___ Spotting fake IDs
   ___ Procedures in case of emergencies  ___ Evacuating the terminal
   ___ Conducting a plan search for dangerous items  ___ First aid or CPR
   ___ Lifting or moving elderly/disabled/overweight passengers

2. Which of these happens on a regular basis (once a month or more)? (check all that apply)
   ___ I don’t have enough time to finish my work or do high quality work
   ___ We don’t have enough staff to do our jobs well
   ___ We don’t have the right equipment or equipment is not in good condition

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WHEELCHAIR ATTENDANTS
1. Do you have problems with broken or malfunctioning wheelchairs? Yes or No
2. Do you have to be responsible for more than one passenger at a time? Yes or No
3. Have you ever had a passenger in a dangerous situation because of lack of training or equipment? Yes or No
4. Do passengers ever have to wait longer than 20 minutes? Yes or No

PORTERS
1. Is there a limit on the weight of bags that you are supposed to lift? Yes or No
   If so, what is the limit? _____ lbs
2. Is the weight limit respected? Yes or No
3. Do passengers ever have to wait because there aren’t enough people to move their bags? Yes or No
4. Do passengers ever receive the wrong bags? Yes or No
5. Do you always re-screen baggage if a passenger opens it after the initial screening? Yes or No

SECURITY/ CROWD CONTROL/ SPECIAL SERVICES
1. How long do you stand in one place at your post? _____ hours
2. Are you allowed to rotate positions? Yes or No
3. What equipment do you need but don’t have for conducting plane searches?
   ______________________________________________________________________________________
4. Are planes ever left unguarded? Yes or No
ENDNOTES
3 “Would-Be Millennium Bomber Ressam Gets 22-Year Sentence,” Los Angeles Times, July 28, 2005
7 Kahn, “Airline Deregulation,” p. 6 as printed.
11 University of Nebraska, “Airline Quality Rating”
16 Reich, “Living Wages and Economic Performance”
18 Foss, “Experts: Costs Dictate Security”
19 Analysis of data provided by the LAWA Airfield Permits Unit
24 Southwest Airlines Company. (2006). Annual Report: New Departures. New Destinations. New Directions. p. 5. Southwest’s 2006 profit calculations excludes certain special items from 2005 and 2006 related to the company’s fuel hedging program. As the company states in page 15 of the report, “In management’s view, comparative analysis of results can be enhanced by excluding the impact of these items as the amounts are not indicative of the Company’s operating performance for the applicable period, nor should they be considered in developing trend analysis for future periods.”
25 This figure does not include approximately 200 workers who clean the airport terminals and are members of SEIU 1877. These janitorial workers were not surveyed for this report but perform similar duties.
28 RAND, “Implementing Security Improvement Options”
30 RAND, Implementing Security Improvement Options. Emphasis added. Refers to both quotes in this paragraph.
34 Code of Federal Regulations, Title 14, Chapter II, Part 382
37 De Lollis, B., “Complaints Cite Airline Wheelchair Service.” USA Today, November 11, 2005
41 De Lollis, “Complaints Cite Airline Wheelchair Service”
42 Code of Federal Regulations, Title 14, Chapter II, Part 382.61(a)(1)(ii)
44 Bailey, “Come fly the filthy skies”. The following two paragraphs discussing airplane cleanliness problems due to changes in the industry are based largely on this article.
46 Bailey, “Come Fly the Filthy Skies”
47 Bailey, “Come Fly the Filthy Skies”

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The cost to employees for full family health represents the weighted average from three companies that provide health coverage to their employees. These three companies employ 57 percent of all Concessions workers at LAX. The majority of concessions contracts provide between 15 to 25 paid days off. 79 percent of all Concessions workers at LAX, CA, Camacho, Jetway, ACC, Ailtnes and I Love LA. Average wage represents 79 percent of all Concessions workers at LAX. The annual salary calculated here is based on full-time work at this rate. Federal employees are provided a wide range of healthcare options, of which Kaiser Permanente is one. This figure reflects the premium paid by employees in 2007 for enrollment in Kaiser Foundation's Standard Family HMO coverage plan.


The majority of concessions contracts provide between 15 to 25 paid days off. Only one company (which employed 2 percent of workers) offered less than 15 paid days off. This represents the mean wage and hours reported by surveyed workers. The cost to employees for full family health represents the weighted average from three companies that provide health coverage to their employees. These three companies employ 57 percent of all passenger service workers. Costs were obtained from employee health plan brochures or pay stubs.

8 CR 3232

8 CR 1910


Statement of Kip Hawley

222 employees were mapped based on zip codes.

Annual Update 71 Fed. 71, No. 15, Reg 3848 – 3849, January 24, 2007. According to the Federal Register, the U.S. Department of Health and Human Services determines that a family making below $20,000 a year as living below the federal poverty level.


Selvin, “South L.A.’s Growing Pain”


Ashraf, “Killings Drop 11 percent as Crime Totals Decline.” According to the LAPD, African Americans make up 11 percent of the city’s population but represent almost 40 percent of homicide victims.


University of Southern California, “Road to an Unhealthy Future”


LAX Master Plan Supplement to the Draft EIS/EIR, July 2003, Figure S4.1-3

LAX Master Plan Supplement to the Draft EIS/EIR, July 2003, p. 4-23


County of Los Angeles Department of Health. (2007). Key Indicators of Health. Los Angeles, CA: County of Los Angeles Department of Health


