



TRAVEL & TOURISM

Pink slips flying at airline workers mean painful autumn ahead

By [Andrew McIntosh](#)

Staff Writer, Puget Sound Business Journal

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Without additional support from the U.S. Congress, it's going to be an ugly fall for anyone at airlines.

AirInsight analyst [Addison Schonland](#) calls what is about to happen "[The Great Shrink of 2020](#)," adding: "The next half of the year is going to be painful."

The first round of \$25 billion worth of government coronavirus pandemic bailout cash for airlines runs out Sept. 30, allowing rivals Alaska Airlines and Delta Air Lines to start resizing workforces Oct. 1 for much smaller flight networks.

A Business Journal survey found 72,435 U.S. airline workers are facing layoffs or furloughs in Seattle and elsewhere as the airlines try to match revenues and expenses. Another 34,900 are taking buyouts.

Some are hoping a second round of relief funding lands before Oct. 1. Alaska is in talks for a second slice, but talks have stalled, even though [President Donald Trump](#) appeared to endorse more help, recently saying it's important to keep airlines going.

Cowen airlines analyst [Helene Becker](#) recently told clients her firm doesn't think there's much appetite in Washington for

more money for airlines after Sept. 30, “but note that unions are lobbying for payroll support through March 2021.”

“Since this is an election year, it is possible there will be some support for this in Washington mere weeks before the election, but we are skeptical at best,” Becker said.

[Raymond James](#) analyst [Savanthi Syth](#) said without a sharp recovery in travel soon, a “PSP 2” (payroll support program) “only pushes out the inevitable, which is the industry will likely have to shrink around 20%.”

That’s why Schonland believes carriers may come away empty-handed.

“After all, why do airlines deserve more help than anyone else?” he said.

ALASKA AIRLINES: 4,200 layoffs expected to affect flight attendants, customer service and aircraft mechanics. Pilots took pay cuts and reduced hours.

DELTA AIR LINES: 2,500 layoffs to affect pilots; 18,000 staff accepted voluntary buyouts.

AMERICAN AIRLINES: 25,000 layoffs expected.

UNITED AIRLINES: 36,000 layoffs expected.

SOUTHWEST: About 16,900 workers took unpaid leave or buyouts, saving \$400 million in Q4, avoiding layoffs for now.

JETBLUE AIRWAYS: Leaked memo warned of 300 potential layoffs, the carrier's first ever.

HAWAIIAN AIRLINES: Notices sent to 2,135 workers.

SPIRIT: Notices sent to 2,500 workers.

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