

UPS plans fewer furloughs than originally announced

CARGO: Increased shipments to Asia cited in revised work plans.

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Air cargo giant UPS says it will furlough fewer Alaska pilots than it had planned due to an increase in shipments to Asia.

UPS announced late this week it will furlough 230 pilots nationwide instead of the 300 pilots it had previously announced. The furloughs began a few months ago and were expected to continue through next year.

Anchorage is at the center of the downsizing -- but in a complicated way.

UPS is furloughing junior pilots, and the lion's share of them fly out of Anchorage, although most of those pilots don't actually live in Alaska.

The pilot's union originally said 84 of the pilots to be furloughed live in Alaska. The company now says it will furlough 70 of those who live here.

The company notes that it isn't reducing the number of pilots whose home base is Anchorage. It is replacing the junior pilots furloughed in Anchorage with senior pilots from other UPS bases.

In fact, in its announcement this week, UPS said it will add 50 more pilots to Anchorage by the end of this year because of the rebounding Asian economy. That would bring the number of UPS pilots assigned to the Anchorage's international airport to its highest level ever -- about 550 pilots, the company said.

As for the 50 additional pilots to be assigned to Alaska this year -- it's their decision whether to live in Alaska or commute from the Lower 48, according to UPS.

Union officials with the International Pilots Association have warned that the senior UPS pilots in the Lower 48 who are backfilling the jobs of Alaska resident pilots do not plan to live here.

There are a few promising signs for the grounded Anchorage pilots: UPS said it is committed to rehiring the pilots it furloughs and the company says it may further reduce its cutbacks if international cargo flights continue to grow.

POLITICAL PRESSURE

UPS is one of the city's major employers and it is a key player in the air cargo industry that has blossomed at the Anchorage airport. The airport has become a major refueling stop for cargo planes traveling between Asia and North America and a cargo-sorting hub for some airlines.

Since March, when UPS announced the cutbacks, union officials and politicians have been pressuring the company to lessen the economic blow.

UPS pilots are among the city's highest-paid workers, and the cutbacks announcement came at a time when the local economy was wobbling due to the global recession.

Mayor Dan Sullivan and Alaska congressional delegation members all pleaded with UPS in recent months to reconsider the Anchorage furloughs.

In an Aug. 5 letter to UPS, Sullivan pointed out that air cargo shipments through the Anchorage airport had increased significantly by the end of last year.

"I hope that this data will compel UPS to reconsider the Anchorage furlough," he said.

OUTSOURCING JOBS?

The Alaska House Committee on Transportation has scheduled an Aug. 31 hearing in Anchorage to gather testimony about the UPS cutbacks.

Committee co-chair Rep. Craig Johnson, R-Anchorage, said he's been hearing a lot of mixed messages about the job losses and he wants to "get it all on the table" in the hearing and find out if anything else can be done to reduce the harm to local pilots.

Concern that the replacement pilots will be based in Anchorage but not live here prompted a sharp complaint from U.S. Sen. Mark Begich, D-Alaska, who told UPS in a letter that it is "outsourcing jobs."

UPS disputes that it is outsourcing: 25 of the replacement pilots it has assigned to Alaska have asked for relocation money, the company says.

"There could be more to come," said Mike Mangeot, a UPS spokesman.

The pilots union disputes UPS's numbers, saying it is unaware of any pilots moving to Alaska.

Begich said Friday he is pleased that UPS is preserving some Alaska jobs and he hopes the company will rehire the local pilots it furloughed as the economy improves.

The pilots union said it is pleased that UPS has reduced the size of the furlough.

"We believe that UPS is starting to see the light, and feel the heat, being generated by Alaskans responding to the furlough," said union spokesman Brian Gaudet.