



Conference of Western Wayne
39293 Plymouth Road
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CWW

Serving 700,000 Michigan Residents

CWW Represents:

Cities: Belleville, Dearborn, Dearborn Heights, Garden City,
Inkster, Livonia, Northville, Plymouth, Romulus, Wayne and Westland

Townships: Canton Charter Township, Huron Charter Township, Northville Charter Township,
Plymouth Charter Township, Redford Charter Township, Sumpter Township and
Van Buren Charter Township.

CWW RESOLUTION 2015-101

**A RESOLUTION IN SUPPORT OF DELTA AIR LINES IN ITS
URGING THE U.S. GOVERNMENT TO REQUEST
CONSULTATIONS THROUGH THE EXISTING *OPEN SKIES*
AGREEMENTS WITH THE COUNTRIES OF QATAR AND THE
UNITED ARAB EMIRATES (UAE) TO ADDRESS UNFAIR,
SUBSIDIZED COMPETITION BY THEIR STATE-OWNED AIR
CARRIERS.**

May 8, 2015

WHEREAS, the Conference of Western Wayne (CWW) is a bipartisan consortium of eighteen western Wayne County communities in Southeast Michigan, working regionally to improve local government and local services through cooperation and collaboration; and

WHEREAS, the CWW Board of Directors consists of the Chief Elected Officials from all eighteen member communities whose population exceeds 700,000 and are the communities that host essential businesses in the State of Michigan; and

WHEREAS, beginning in 1992 with the negotiation of the very first *Open Skies* agreement, the United States has explicitly and rigorously insisted that in exchange for granting foreign airlines the freedom to fly to and from the United States, *Open Skies* partners ensure a level, competitive playing field. Anticipating that circumstances could change, the United States and its *Open Skies* partners have also agreed that every *Open Skies* agreement have a provision for consultations to address problems relating to the agreements and to agree in good faith on measures to resolve them.

WHEREAS, evidence gathered during a global, two-year long investigation reveals that two countries with *Open Skies* agreements, Qatar and the UAE, have been providing massive subsidies and other extraordinary benefits to their state-owned airlines that have already caused a substantial distortion of international markets. If unchecked, these practices could threaten the airline industry, aviation jobs, and communities throughout the United States.

WHEREAS, as these Gulf carriers are highly subsidized, they have grown at an astounding rate, expanding their global presence without concern for financial returns. Over the past decade, the governments of Qatar and the UAE have granted \$42 billion in subsidies and other unfair benefits to their state-owned carriers. These Gulf carriers aren't subject to corporate income taxes or fuel taxes, and are exempt from costly requirements imposed on their foreign competitors, allowing the carriers to avoid paying their own way. The governments of Qatar and the UAE have banned unions and suppress the rights of their employees, saving their carriers billions of dollars from below-market labor costs.

WHEREAS, at stake in Detroit are the following: 1) more than 7,500 Delta Airlines jobs at DTW and 10,000 jobs including Delta carrier connections throughout Michigan; 2) over 465 daily Delta flights out of DTW, serving more than 125 destinations; 3) an estimated economic impact of the commercial airline industry in Michigan is \$17.6 billion; and 4) Delta activity at DTW generates over \$210 million in annual tax revenue for the State of Michigan.

FURTHERMORE, *The Need to Address Subsidized Competition from State-Owned Airlines in Qatar and the UAE* is a 55-page paper commissioned by American Airlines, Delta Air Lines and United Airlines and presented to the U.S. Government.

NOW THEREFORE BE IT RESOLVED, that the Conference of Western Wayne supports Delta Air Lines in urging the U.S. Government to request consultations through the existing *Open Skies* agreements with Qatar and the UAE to address the unfair, subsidized competition, and also to seek a freeze on the introduction of new passenger service by the Gulf carriers during these consultations.



Supervisor Tracey Schultz Kobylarz, CWW Chairperson of the Board

I attest that this is a true and correct copy of the Motion adopted by the CWW Board of Directors at its regular meeting held on May 8, 2015 in the City of Romulus, MI.

Motion: Mayor LeRoy Burcroff, City of Romulus
Second: Supervisor David Glaab, Huron Charter Township

Ayes: Supervisor Tracey Schultz Kobylarz, Redford Charter Township, Chair
Supervisor Phil LaJoy, Canton Charter Township, Secretary
Mayor Jack O'Reilly, City of Dearborn
Mayor Pro Tem Jaylee Lynch, City of Garden City
Supervisor David Glaab, Huron Charter Township
Mayor Jack Kirksey, City of Livonia
Mayor Chris Johnson, City of Northville
Supervisor Robert Nix II, Northville Charter Township
Mayor Dan Dwyer, City of Plymouth
Supervisor Shannon Price, Plymouth Charter Township
Mayor LeRoy Burcroff, City of Romulus
Karen Armatis, Deputy Supervisor, Sumpter Township
Supervisor Linda Combs, Van Buren Charter Township
Mayor James Hawley, City of Wayne
Mayor William Wild, City of Westland

Nays: None

Absent: City of Belleville
City of Dearborn Heights
City of Inkster



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