US airlines launch drive for national airline policy

The city of Newark is seen from a United Airlines commuter jet as it takes off from Liberty International Airport in Newark, New Jersey, November 14, 2012.

WASHINGTON (Reuters) - U.S. airline company executives, complaining that their industry is over-taxed and over-regulated, on Wednesday called for a national airline policy to help them shore up profits and jobs.

"Right now, we are subject to what is really a hodgepodge of ill-thought-out regulations and taxes," said Nick Calio, president of Airlines for America, flanked by top executives from US Airways (LCC.N), Southwest (LUV.N) and other carriers.

U.S. airlines also suffer from an outdated air traffic control system, volatile energy prices and increased competition from foreign carriers for international routes that help pay for less profitable domestic routes, Calio said.

The U.S. industry lost $55 billion from 2000 to 2010 and shed 150,000 jobs, or one-third of its workforce, according to an Airlines for America fact sheet.

The airline executives launched their campaign for a national airline policy at an event on Tuesday evening with lawmakers, and also met with Transportation Secretary Ray LaHood on Wednesday to discuss their concerns.

Calio said that $61 of a $300 round-trip domestic ticket, or about 20 percent, goes to pay 17 different taxes.

"The people who are flying think we are getting that money ourselves, and we're not," Calio said.

At the same time, the industry has boosted revenues by employing computer programs that tweak pricing instantaneously, added fees for checked bags, on-board food and more spacious seating, and reduced the number of empty seats by trimming flights.

The industry plan includes repealing the commercial jet-fuel tax, reforming costly airline regulations, modernizing air traffic infrastructure, curbing speculation in the oil futures market and investing in research and development.

It also proposes a number of reforms to make U.S. airlines more competitive globally, such as limiting U.S. Export-Import Bank financing for foreign carriers, reforming U.S. visa policies to reduce processing times and pushing other countries to end certain discriminatory practices.

Calio said that after recent talks with lawmakers, he was optimistic that legislation to create a national airlines policy would be introduced in Congress. But he declined to say who would offer the bill or when.