



Aircraft Mechanics Fraternal Association

National Offices: 14001 E. Iliff Ave, Suite 217
Denver, CO 80014
Tel: (303) 752-2632 • Fax: (303) 362-7736

AMFA - Alaska Airlines, Article 23 Annual Wage Review Discussions, Section 6 Negotiations Openers Update

In accordance with the terms outlined in Article 23, Wage Rules, AMFA and Alaska Airlines met to discuss the annual pay scale adjustment on November 29th at the Hangar in Seattle, Washington. In attendance for AMFA were: Earl Clark, National Region 1 Director; Tim Cullen, Local 14 Airline Representative; Mark Dahl, Local 32 Airline Representative; and Jason Munson, Local 14 Airline Contract Committee Member. In attendance for Alaska Airlines were: Fred Mohr, Vice President, Maintenance & Engineering; Kurt Kinder, Managing Director of Line Maintenance; Bob Hartnett, Director, Labor Relations Ground; Sonia Alvarado, Labor Service Manager supporting M&E; Alyssa Edwards, Director Compensation; and Nicole Wettleson, Compensation Analyst.

We reviewed the all in pay rates for the ten carriers referred to in the Alaska Contract; the rates were as of October 17th, the day of the Alaska pay rate increase our technicians received. Here are those all in rates, which includes base pay, license premiums, line premium, and longevity at the top of each of those scales: (1) Southwest \$42.40, (2) AirTran \$35.00, (3) Delta \$34.73, (4) JetBlue \$34.47, (5) Alaska \$33.90, (6) Continental \$32.93, (7) American \$32.75, (8) US Airways \$31.15, (9) United \$30.35, and (10) Frontier \$29.15. We then discussed the fact that the pay rates were accurate as of October 17th, but as of today, November 29th, Continental Airlines has ratified a new agreement that should be considered in this pay review. The Company disagreed but said they would go back and discuss this further with their group. We then got into discussions regarding dates for the Alaska/AMFA Section 6 Contract Negotiation Openers.

On Friday December 3rd, AMFA and Alaska Airlines met a second time at the Hangar in Seattle to finish the wage review. In attendance for AMFA were: Earl Clark (Via Conference Call), Tim Cullen, Mark Dahl, and Jason Munson; for Alaska were: Fred Mohr, Kurt Kinder, and Sonia Alvarado.

Still at issue was whether or not the new Continental "all in" pay rate of \$35.22 should be considered for this review. If it is, it would then put us at the number six (6) position in our industry review. The Company stayed with the position that the pay review has always been a snapshot of the "all in" pay rates of the comparator carriers as of the anniversary of our contract, and thus we are at the number five (5) position as of that date, October 17, 2010. AMFA argued that the contract does not specify a date for the review. Therefore, at the time of the review we were in the number six (6) position because of the newly ratified Continental Airlines agreement, an additional pay increase is in order. Had the review been done at the normally scheduled date, this would not have been an issue. Alaska Airlines did not agree with our arguments and stated that there would be no further wage increase at this time and would address the issue in Section 6 Negotiations. We then set the date of December 13th to exchange openers.

AMFA has since reviewed the documents related to the past pay reviews, and received a legal opinion from AMFA legal and have been advised that we are unlikely to prevail in an arbitration over this matter.

On Monday December 13th, AMFA and Alaska Airlines met to exchange Section 6 Negotiation Openers at the Center Point Business Park in Kent Washington. In attendance for AMFA were: Louie Key, National Director; Earl Clark, National Region 1 Director; Tim Cullen, Local 14 Airline Representative; and Mark Dahl, Local 32 Airline Representative. In attendance for Alaska Airlines were Kelley Dobbs,¹

SAFETY IN THE AIR BEGINS WITH QUALITY MAINTENANCE ON THE GROUND

Vice President; Human Resources & Labor Relations; Fred Mohr, Vice President; Maintenance & Engineering; Kurt Kinder, Managing Director of Line Maintenance; Bob Hartnett Director, Labor Relations Ground; and Sonia Alvarado, Labor Service Manager supporting M&E.

Fred started the meeting off by talking about the Alaska Airlines vision of the M&E group and how Line Maintenance is a key part with AMFA. He talked about wanting our technicians to be well compensated, which includes pay, benefits, and PBP compensation. Bob Hartnett then asked for all of us to do introductions. Bob then asked of AMFA's process of negotiation and how the open negotiations process works. Louie explained how AMFA's open negotiations policy permits its members to observe contract talks thus allowing our members the opportunity to see the process from initial proposal to the final version This gives our AMFA members the opportunity to craft their contact through caucus and suggestions. Kelley then talked about how working together will make us stronger as a Company. We all talked about the standard negotiations process and how there are many highs and lows to the process. We agreed to use the interest based bargaining process to resolve our differences and truly listen to each others concerns. Kelley then went to the Company's vision of negotiations for all work groups with a general theme that the Company pay its people well, with good benefits, highly productive, and work together as a team. Have great labor relations where we have mutual respect for each other. This would make Alaska Airlines a great place to work. She talked about having a preamble in the front of our contract stating these principals; currently ALPA has one in their contract.

AMFA then gave the Company its opening bullet point proposals to address twenty-five of our thirty-one articles with about sixty items within those articles to discuss. We asked the Company if they needed any clarification at this time and they stated they did not.

The Company then gave AMFA its bullet point proposal list, it has proposed changes to fourteen articles with about twenty items within those articles to discuss. Here are some of those highlights: Article 4 Lead Coverage, Article 5 Scheduled Hours and Geographical Bid Locations, Article 6 review entire overtime language, Article 8 LOA #12, Selection for field trips, field trip pay (OT, rest periods ect.), Article 9 Furlough language and options, Article 10 Assessment period, Article 12 Pay week language, Article 18 Eliminate uniform cleaning allowance, Article 20 Pension Plan, Retiree medical coverage, Article 22 Insurance discussion, Article 23 Review PBP language, simplify rules and discuss all in pay options, Article 25 Date and Duration, Article 26 Pay and steps, Article 27 Review all LOA, Article 31 Use employee number rather than social security number. We asked a few clarifying questions and then moved to dates for future negotiation sessions. We are set up to meet January 6th and 7th at a place to be determined in Seattle. Our focus during these meeting will be to consolidate related issues and identify areas of common interest and start negotiating them.

Always remember to check your Locals web site for the most up to date information on times and location of negotiations, go to www.amfa14.org, and www.amfa32.com. If you have any questions, please contact your Airline Representative, or attend your next monthly membership meeting for a question and answer period.

Sincerely,

Your Contract Representatives

Earl Clark
National Region 1 Director

Tim Cullen
Local 14 Airline Representative

Mark Dahl
Local 32 Airline Representative