



AMFA/Alaska Airlines Article 23 Annual Wage Review Discussions

Third Year Review September 22, 2014

Participants for AMFA:

*Earl Clark –Region 1 Director
Jason Munson – Airline Representative Local 14
Marc Sheldon – Airline Representative Local 32
Louie Key –National Director*

Participants for Alaska Airlines

*Greg Mays – VP Maintenance & Engineering
Shane Tackett– VP Labor Relations
Kurt Kinder – Managing Director, Line Maintenance
Bob Hartnett – Director, Labor Relations Ground
Sonia Alvarado – Manager, Labor Services M&E
Constance von Muehlen – Managing Director, Airframe,
Engine, Component MRO*

In accordance with the terms outlined in Article 23, Wage Rules, AMFA and Alaska Airlines met to discuss the Annual Wage Review on September 19, 2014, at the Hangar in Seattle, Washington. Both sides reviewed all data used for the review and agreed on that data. We then started by conducting an external review of our all-in wage compared to our primary competitors in accordance to the agreement; the rates used were as of October 17, 2014, the effective date of the contractual 1.5% pay increase. 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 \$43.89, 2) Delta \$39.55, 3) Alaska \$38.64, 4) JetBlue \$38.00, 5) United \$36.92, 6) US Airways \$36.55 7) American \$35.28, 8) Virgin America \$34.34 9) Allegiant \$32.57, and 10) Frontier \$32.37. With the all-in pay rates of the carriers we are compared with, the mid point all-in rate is \$36.74; since our rate is above the \$36.74, no additional increase beyond the 1.5% is required to keep us above mid-point for the external review.

We then went to the internal review and due to the fact that Alaska negotiated an agreement in the past twelve months, we then had the ability to look at where our co-workers in other labor groups rank compared to their peers; the term “internal review” is the process used to accomplish this. We did the comparison of the other labor groups on the property and identified where they rank compared to their peers in the industry. The rankings are as follows: Pilots (ALPA) fourth, Flight Attendants (AFA) fourth, Dispatchers (TWU) fourth, RSA (IAM) fourth, COPS (IAM) fourth. This puts the average ranking of the labor groups on the property at four (4) compared to the peers in the industry. Being our 1.5% rate increase keeps us at the number three (3) position, no additional increase is required.

Fraternally,

Your Negotiating Committee