

AMFA-Southwest Airlines AMT Contract Negotiations Update #41

Date: April 29, 2016 **To:** All Mechanics

From: AMFA–SWA Negotiating Committee: Earl Clark, Mike Nelson, Bob Cramer, Craig

Hamlet, Shane Flachman, Mike Young, Lucas Middlebrook

Subject: Company's Negotiations Update Clarification

Many of you have likely read the Company's latest memorandum, which was emailed to all the affected AMFA employees. It is obvious the Company released this propaganda in an attempt to get 50% of our members plus 1 to buy into what it is peddling. After reading the propaganda piece a few times, it validates the account that was documented in <u>AMFA–SWA Technicians Negotiations Update</u> #40, from our Chicago sessions.

All Negotiation Committee updates begin with, "The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This report is the only official authorized source of negotiating communications by the Committee." Keep in mind that all voting members of the Negotiating Committee are on the same seniority list as you and will have to work under the conditions that eventually stem from these negotiations. Most of you know someone on the Negotiating Committee; I'm sure most of you could call someone on the Negotiating Committee and talk either contract language or football. We have no reason to distort the truth in our updates coming out of negotiations. We have not and will not bring any message but the truth out of these negotiation sessions. We are attempting to meet as often as possible based on the mediators availability, and there will be times when a voting member of our Committee cannot attend due to any number of events but as long as we have three (3) of the four (4) voting members present in a session we are able to proceed on any issue.

Here is the Company's list of remaining must-haves deciphered:

- 1. <u>Field Service:</u> In reference to having vendors perform this work, the Company claims it is "something that happens 20-25 times a year." Let's read between the lines here our current language restricts the Company from outsourcing this work at all and it still occurred 20-25 times. What then, will the Company do when this language is gone from our contract? Talk to an Alaska Airlines mechanic and see how many downlines they perform a year with the absence of the protections we currently have in our contract.
- 2. <u>Temporary Inspector Vacancies:</u> The Company, in no uncertain terms, acknowledged "this only affects inspectors." That is correct, but all of us have the ability to be enhanced by the inspection backfill requirement if we choose. The Company's attempt here is only to pit the many against the few. This is a typical "divide and conquer" technique utilized by desperate management teams. We provided an offer in Chicago that would help the Company with this concern, as listed in <u>AMFA—SWA Technicians Negotiations Update #40</u>.

- 3. <u>Paid Rest:</u> Here the Company states our current language is "unsustainable." This is the same argument advanced by the Company at the table in 2009. We provided an offer in Chicago that would help the Company with this concern, as listed in <u>AMFA–SWA Technicians Negotiations Update #40</u>.
- 4. <u>Scope:</u> Just like we said in <u>AMFA–SWA Technicians Negotiations Update #40</u>.

Above is the Company's "four crucial items," but they also made reference to how "compelling" the financial offer was. Taking into account that the Company has dragged this process out almost four years, the \$230 million (assuming that figure is accurate) will be spread out over NINE (9) years, which wholly undermines the "compelling" claim. Then there is the Company assertion that: "Fact: Assuming average overtime over the course of the agreement, a topped-out Mechanic would increase his or her compensation by more than \$82,000" – that is contingent on preservation of our current language. If we roll over and give the Company all of the work rule changes that it seeks there we be a new average overtime number and it would be far south of where it is today. Lastly, the Company flat out misrepresented the truth about its claim that "AMFA has argued against requiring the return of this work" in regards to Letter of Agreement (LOA) #1. We said if you are willing to sunset LOA #1, pull the planes out of El Salvador today, but of course that didn't happen. We also told them if they let LOA #1 sunset, we doubted the membership would ever allow them to go offshore again. There is good job protection language in LOA #1, and we conveyed that we intended to negotiate some of that language into Article 2.

We never intend to go tit-for-tat with the Company. It is a petty practice and is a waste of our resources, but sometimes a response to blatant propaganda is necessary. Work the numbers that the Company documented and then recount how much you have earned under the language the Company is trying to buy from you and see whose argument is the most compelling. We are committed to this process and the membership. There should never be a reason to doubt that we are working for your best interest. We need support from the membership. We need to ensure the Company understands that AMFA speaks for you and that you stand by your Committee.

The Company has made it crystal clear that there will be no deal without, what it describes as, "offsets." In fact, the below is the exact exchange that occurred at the table:

AMFA: Numbers you just gave us are with the changes you are seeking in language?

SWA: There is no deal without our asks -- We won't TA a deal with nothing – don't know how else to say it to you.

AMFA: We need to be clear before we leave this session.

SWA: No deal without those offsets.

We believe that the "nothing" referred to by the Company in this exchange is your sweat equity in Southwest Airlines. Apparently the value the Company attaches to your sweat equity is "nothing," and without concessions to your work rules, in the Company's words, "there is no deal."

Sincerely,

Your Negotiating Committee