



AMFA–Southwest Airlines AMT Contract Negotiations Update

Update #53 March 9, 2017

Participants for AMFA:

*Bret Oestreich – National Director
Earl Clark – Director, Region I
Will Abbott – Director, Region II
Bob Cramer – Airline Representative, Local 4
Craig Hamlet – Airline Representative, Local 11
Shane Flachman – Airline Representative, Local 18
Mike Young – Airline Representative, Local 32
Lucas Middlebrook – AMFA Counsel
Tucker Steele – Tech. Instructor SME
Kevin Johnson – Tech. Instructor SME*

Participants for Southwest Airlines:

*Gerry Anderson – Sr. Director, Labor Relations
Cindy Nagel – Sr. Director, Labor Relations
Bill Venckus – Director, Labor Relations
Mark Lyon – Sr. Manager, Labor Relations
John Donnelly – Manager, Financial Planning
Don Phillipone – Training Department
Cindy Smiddle – Training Department
Danny Lenz – Training Department*

The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines (SWA). This report is the only official authorized source of negotiating communications by the Committee.

We met with the Company on March 6 and 7, for a scheduled day and a half session in Dallas, TX. This was our second meditated session to again try and work through the open items related to the Technical Instructors.

We began the half-day session in the afternoon of March 6 with the Company; our first task was to perform a thorough review of what sections remained open. Following the review, we determined that the following articles remained open: Article 4: Classification, Article 5: Hours of Service, Article 6: Overtime and Holidays, Article 7: Training, Article 8: Field Service, Article 10: Filling of Vacancies, Article 11: Vacations, Article 14: Wage Rules – Shift Premiums – Longevity, and Article 15: Wage Rules (will be negotiated in the economic portion of negotiations).

Following the review we explained our concerns with the Company's last proposal on Article 5: Hours of Service. Our position was that the current language for eight and ten hour days works for the schedules Instructors currently work. We also explained that the start time parameters also work, and there is no need to create new language for them. The last item within this article was that we believed the Instructors should have the right to bid their quarterly training assignment. We then moved to Article 11: Vacations, where we explained again that the current language can be used for bidding their vacation, and we see the need for language for bidding vacation days outside the annual by using the quarterly training schedule to determine open dates. The Instructor could then submit a request for the open dates prior to the quarterly schedule being finalized. The Company then presented us with a counter for Article 7: Training, the differences over current language was a procedure for awarding training to an Instructor that was not solely seniority based and an expense reimbursement policy that was at departmental discretion. The Company then presented a counter to Article 4: Classifications; the issue remains whether aircraft related paperwork is Technical or Non-Technical training. We broke for the day with our Committee working on counters to Articles 4, 5, 7, and 11.

We began Tuesday by discussing a process of proposing all open articles as a package from now on. The Company then passed their remaining open proposals in Articles 6, 8, and 10 to us. This then put

all open issues to us for response as a counter package. Our Committee then worked tirelessly through lunch, with no breaks, to devise a counter package that addressed all remaining open items in all seven articles. In our proposal we decided, for simplicity reasons, to capture the differences in an Appendix as we did with the Maintenance Control group, which we refer to as Appendix B. The Committee addressed language within Appendix B for Article 4: Classification, Article 5: Hours of Service, Article 6: Overtime and Holidays, Article 7: Training, Article 8: Field Service, Article 10: Filling of Vacancies, Article 11: Vacations, and Article 24: General and Miscellaneous. We presented our counter proposal to the Company at 3PM. The Company expressed no concerns during our presentation of Appendix B. The Company then caucused for 30 minutes, and then we reconvened. The Company said they needed more time to review our Appendix B proposal in its entirety and would email us a response for our review before the next scheduled session. We then wrapped up this session.

Recently, there has been a video put out by the new V.P. of Labor Relations, Mr. Russell McCrady, on the state of our negotiations. In the video Mr. McCrady claims to have secured additional dates for negotiations – this is simply not true. All dates Mr. McCrady is referring to were submitted to our group for review by the mediator before he ever talked to the mediator. Those dates are May 1 -5, with the meetings to take place in Washington, DC. We also have previously agreed to dates for April 18 – 20. Mr. McCrady repeatedly referred to the Company committee in his video as “we,” but Mr. McCrady has not been to a single negotiation session with AMFA. In addition, although Mr. McCrady visited the negotiation hotel to meet with the mediator during our February session, he chose not to introduce himself to your Committee. As of the writing of this update no one in our Committee has ever met Mr. McCrady. Mr. McCrady continued the Company’s previous misrepresentation about a package that should be voted on, which we addressed in our previous updates. There is simply nothing negotiated at this point that could even be sent for ratification – it is nothing more than smoke and mirrors. What Mr. McCrady also failed to mention was all of the offsets the Company is demanding that you give back for compensation you already deserve.

Our next session is scheduled for March 30 and 31. We would like to thank our Subject Matter Experts (SMEs), Tucker Steele and Kevin Johnson, for their time and input to this process.

Sincerely,

Your Negotiating Committee