



AMFA/Southwest Airlines AMT Contract Negotiations Update

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Participants for AMFA:

Michael Nelson – Director, Region II
Bob Cramer – Airline Representative, Local 4
Matt Townsend – Airline Representative, Local 11
Shane Flachman – Airline Representative, Local 18
Mike Young – Airline Representative, Local 32
Lucas Middlebrook – AMFA Counsel

Participants for Southwest Airlines:

Mike Ryan – VP, Labor Relations
Gerry Anderson – Sr. Director, Labor Relations
Michelle Jordan – Director, Labor Relations
Scott Collings- Director, Central Region
Sam Moser – Manager, Financial Planning

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.

The parties were scheduled to meet on Thursday, June 25 to resume Aircraft Maintenance Technician (“AMT”) negotiations. However, Facilities Maintenance Technician (“FMT”) negotiations were cut short by a full day due to the Company’s lack of preparation. Therefore, the parties agreed to resume AMT negotiations a day early on Wednesday, June 24, 2015.

The Company began by informing us they were prepared to present counter offers to five articles: Article 6- Overtime and Holidays, Article 8- Field Service, Article 9- Seniority, Article 10- Filling of Vacancies and Article 22- Arbitrations. They also proposed to let Letter of Agreement (LOA) 1 expire and they modified LOA 2 by removing “Graveyard Structures- 14 + 1” from the list of protected positions, but didn’t offer to give back any of our pushback or fueling work that they outsourced when we secured these positions in the LOA. In addition, they informed us that they are proposing that both the Maintenance Controllers and Technician Instructors be covered in appendages in the back of the current Collective Bargaining Agreement (CBA).

In the Company’s Article 6 proposal the first change was regarding who would be eligible for a four-hour overtime callout. They proposed “in bid location” Employees would be asked first and then all other Employees on duty will be asked second. In section 8 (f) of Article 6 they went back to their “qualified” Employees for being a determining factor for overtime eligibility to a particular bid location. They also proposed that an Employee would be ineligible for overtime if they are already scheduled to work 16 or more hours or if they are on Emergency Field Service and cannot return to work the overtime shift offered. Their Article 8 proposal continued to contain language from their comprehensive package, which basically allows them to farm-out all Emergency Field Service and any upcoming ETOPS pre-departure checks where we do not staff technicians. Article 9 changes were mainly rejecting our language to protect a crew when a Temporary Supervisor is removed from the available manpower of that crew. In Article 10 the Company proposed changes to temporary vacancies to include language that would reverse the Inspection backfill ruling that they forced us to win in arbitration. They also added language detailing a selective process to fill vacancies in the Aircraft Technical Support Technician classification. The changes to Article 22 were to language the parties sought to add and did not affect current language.

Notably, the Company did not have counter offers ready for Article 2- Scope, Article 14- Wage Rules- Shift Premiums-Longevity, or Article 15- Wage Rates. In reference to Article 2, we did have a detailed composition explanation from Scott Collings as to what he envisioned our Article 2 should look like, and how our existing language is going to be a real problem if not changed in 2017 as more work will

be stripped from the C Checks and moved to the Line Remain Over Night (LRON) bid locations as EPIC reaches full implementation. The Company agreed to assist Subject Matter Expert (SME) and AMFA Outsourcing Liaison, Craig Hamlet, to work further with Scott and try to understand what he believes the landscape to be. Craig has been crucial in helping the Committee navigate the Article 2 conceptual changes presented throughout these negotiations by the Company.

We have offered the Company negotiation dates in July but we have yet to receive confirmation. We have asked to have, at a minimum, Landon Nitschke attend our negotiations in an effort to explain to him first hand why the Company's concessionary approach to bargaining during a time of record profits is a non-starter.

We would like to thank those who took their time to observe these negotiations. If you have any questions, don't hesitate to contact your representative. Failure to receive full and accurate information to your questions does not serve us individually or collectively as one group moving towards one goal. We also appreciate your support and ask that you reach out to your elected representatives for any additional questions you may have.

Sincerely,

Your Negotiating Committee.