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Sisters and Brothers,

Over the past week, there were several communications sent to you from the company concerning the American Airlines contract proposal. Our members have reached out to local leadership asking for clarity regarding the communications.

On May 24, senior leadership at American Airlines sent each TWU/IAM represented employee an email outlining the highlights of their latest contract proposal to union members. It included more details on items discussed in their previous offering in March. But like previous communications from AA, this email speaks volumes about the substantive issues it doesn't address.

The company continues to circumvent our negotiators and the process. They continue to unethically negotiate with our members through emails and videos. As they disrespect you and union leadership with their tactics, they continue to misinform our members with highlights of their proposals with little detail. Examples of some of the issues left out of their proposal are as follows:

They suggest that employees will have job and station protection in their classification. But they don't make it clear if your status will remain the same. They don't address the 60/40 fulltime/part time ratio component from the current IAM contract. If you are currently full time, will you remain full time? Will your station be converted into a part time staffed station? If you are currently a crew chief, will you remain a crew chief? Will your status be protected for the duration of the agreement? If you are currently a GSE mechanic will you keep that status or will you be forced to covert to facilities or vice versa? The company does not address the station caps or thresholds to keep stations open. They allude to 40 stations being open to the Association but don't give details or name the 7 additional stations. Will the company re-staff stations like BNA, DEN, MSY, RDU, IND, DTW, MSP or CMH?

The email states that if you have a job in your station today, you'll have a job in your station tomorrow. But what does that mean to our MSP facilities members? The video discusses retaining core facilities work but excludes work like painting. If the company maintains the theory that any work that is not deemed core work will be outsourced, what work will remain for our Title II MSP members? When they speak about retaining jobs think about how many jobs were lost in building cleaning, Day line Cabin, Eagle transfer, mail and cargo, fueling, bus driving and overnight cabin cleaning over the years. Where did those jobs go? Remember that every job loss affects seniority when it comes to bidding vacations,

shifts and job assignments. If they are so confident that there will be no job loss, then why won't they reinstate the \$12,500 allowance if an employee is displaced due to layoff?

Deicing will remain in 5 cold weather stations, BOS, DCA, JFK, LGA, ORD with the right to later outsource if a viable alternative becomes available. DFW will outsource deicing immediately. What will happen to the almost 300 jobs associated with deicing in DFW? There is no guarantee to keep the work in house for the duration of the contract at the cold weather stations.

The company continues to state that after the contract is ratified, team members' buy outs will be offered. They also state that those buy outs will be granted at the company's discretion based on operational needs. If they are serious about allowing our members to receive buy outs, why wait until a contract is offered? Why not offer the buy outs now? Is it because they want those members to vote based on self interest and not for the good of the rest of the membership who will have to work under the conditions of an inferior contract? Also, will those buy outs be offered by seniority? They have not shared the criteria for granting the buy outs.

American is offering 5.0% match to each member's 401(K) contribution. They currently match the pilot's contribution up to 16% and the flight attendants at 9%. Why would they offer our members anything less than other "team" members? Are we less worthy of receiving more retirement benefits than other AA employees? Additionally, there is no clarification on when we receive the match. Will our bi-weekly pay be matched, or will the company wait until the quarter or the year is over to match our annual salary? Again, no real clarification from the company.

Holiday, vacation and sick time accrual offered by the company in its latest proposal is the equivalent to levels from our 2003 agreement, the one we lost in the concessionary contract from 15 years ago. How does that translate into an industry leading contract when they seek to mirror benefits equal to what is offered to Delta employees? In 2003, our contract provided 7 weeks of vacation after 30 years of service, a maximum of 12 days accrued annually for sick pay and 80 IOD days per year for members who were injured on the job. Why won't the company offer those levels of benefits to our members? Furthermore, LAA used to receive an annual lookback so we could see the actual costs. Today, the company determines plan costs and we have no recourse. Why won't they reinstate that?

American provided comparisons to the IAM members concerning the proposed medical changes. They did not address whether there is a cap on employee contributions to medical benefits costs annually as there is in the current TWU agreement. Nor did the email contain information explaining if co-insurance and co-pays apply to annual out of pocket maximums incurred by members? Is there a cap on the co-pay? What are the cost sharing caps on In and Out of Network costs?

There is no mention of profit sharing in any of their “comprehensive” proposals. If profit sharing is not part of the contract, then it becomes a gift given at the whim of AA leadership. Other airlines offer profit sharing and at a great percentage than AA as part of their contracts, why wouldn’t we ask that it be part of ours?

How can the company suggest that their proposal is comprehensive when there so many unanswered questions remaining? The proposal in the email is more propaganda than substance. AA has taken what they consider to be highlights and offered it instead of truly negotiating with the committee in place. Please continue to ask the pertinent questions and remain steadfast in accepting nothing less than what you deserve, an industry-leading, fair and equitable contract that retains jobs and enhances job scope.

Fraternally,

The Executive Board

TWU Local 513