



Aircraft Mechanics Fraternal Association

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AMFA - Alaska Airlines Contract Negotiations Update # 11

May 24th and 25th, 2005

Participants for AMFA:

Louie Key – Region 1 Director
Alan Templeman – Local 14 Airline Representative
Earl Clark – Local 9 Airline Representative
Russ Grant – Local 17 Area Representative

Participants for Alaska Airlines:

Kurt Kinder – Director of Line Maintenance
Dave Schwartz – Manager, M&E Union Relations
Steve Zerda – Director, Maint. Planning & Mat'l. Control
Elizabeth Ryan – Manager, Labor Relations
Tom Richards – Director of Employee Benefits
Ronald Henson - Attorney at Law, Ford & Harrison LLP

On Tuesday May 24, 2005 open contract negotiations between the Aircraft Mechanics Fraternal Association and Alaska Airlines continued at the Gold Coast Center in SeaTac.

This week we started off with discussions on employee benefits. Alaska's Director of Employee Benefits, Tom Richards, provided information to our committee on the Company's proposal. He explained how the Company is striving to move all employees into a common health care plan with similar co-pays. He also indicated that the Company, philosophically believes, that all employees should have comparable **health care** and **retirement** benefits. On that point, it is noteworthy that our current defined benefit retirement plan is behind other employee groups at Alaska Airlines. Other employee groups have final average earnings (or similar variation), higher multipliers, and the ability to retire earlier with no benefit reduction.

On Wednesday the Company provided a "Comprehensive Proposal" which included detailed language on all remaining open issues, as well as a counter on wage rates that would place our technicians at a number 7 ranking (including base pay and license premium) among the thirteen carriers used in their analysis

Please recall that our methodology includes the components of Line pay and Longevity Allowance (based on a ten year employee) to calculate an "all in rate.". If you included these components, their proposal would move us from number 9 from the top (where we are currently) to number 8.

Concerning Article 2, Scope, the Company presented a no layoff Letter of Agreement that would job protect all active employees on date of signing through the duration of their proposed four year agreement (expiring one day prior to the amendable date to prevent the LOA from being considered covered by the status quo provisions of the Railway Labor Act). However, their proposal did not address our concerns of defining what work actually belongs to our members, as well as our concern of protecting all currently staffed maintenance stations.

Our committee will be reviewing this proposal and preparing a counter to present to the Company during our next scheduled round of negotiations in June.

The next round of AMFA – ASA negotiations in Seattle; will take place at the Gold Coast Center, dates listed below. Please watch the Local 14 website for any updated information.

For additional negotiation information and other AMFA carrier updates, please call the **AMFA National Hotline at (800)-520-AMFA (2632)**.

Dates

June 6th through June 15th

City

Seattle