



## Aircraft Mechanics Fraternal Association

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### AMFA - Alaska Airlines Contract Negotiations Update # 13

June 13 through 15, 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, ANC

Participants for Alaska Airlines:

Kurt Kinder – Director of Line Maintenance  
Dave Schwartz – Manager, M&E Union Relations  
Elizabeth Ryan – Manager, Labor Relations  
Fred Mohr – V.P. Maintenance and Engineering  
Ronald Henson - Attorney at Law, Ford & Harrison LLP

### Tentative Agreement Reached

On Wednesday at approximately 5:00 p.m. after days of extensive negotiations mutual agreement was reached on all open issues resulting in a tentative agreement (TA) that addresses the core concerns of compensation and job security while protecting wage erosion by the raising cost of medical benefit coverage.

The complete TA will be available to the membership once it has been compiled, formatted into a document and proof read.

Highlights of the Agreement include:

- Base scale increases on date of signing (DOS) of 10.27% and license premium increases on DOS from \$1.40 to \$1.75 per license (\$3.50 for two).
- Term is for 4 years.
- Yearly pay scale increases of 1 ½ % on the DOS anniversary for the first, second and third year, negotiations will commence 6 months prior to the next amendable date in 2009.
- Implementation of a new retiree medical coverage program where retirees may convert unused sick leave into retiree medical coverage (at a rate of 12 hours of accrued sick leave for 1 month of 100% benefit coverage)

- Job protection Letter of Agreement that protects all current members through one day short of the amendable date (thereby, preventing the LOA from being covered under the “status quo” provisions of the Railway Labor Act). Additionally, there are protections that all currently staffed stations will remain staffed as long as Alaska Airlines continues operating into those stations.
- Option of switching to the “Variable Pay Plan” of profit sharing that would increase the amount payable to members when triggered by Alaska Airline profit margins.
- Health care benefit – employee contribution limits established, premium amounts must be renegotiated with AMFA for any rate adjustments after the amendable date of the contract.

The contract also provides for “productivity gains” in work rule language. Specifically, the current paid lunch when working overtime will now be un-paid. The lead to technician ratio will increase by one technician per lead. The lead selection language provides management increased flexibility when awarding lead bids.

Our committee encourages all members to read the full tentative agreement, which will be available prior to the informational meetings, so that you can ask informed questions when we come to your station to explain, in detail, the proposed changes. The TA does not include a separate line item of “retro pay” the Company maintained that the significant DOS pay increases compensated for the retroactive pay adjustment. Another item to consider when evaluating the contract is not simply the amendments within the contract but also the fact that your committee had to work hard to protect current language that was under pressure from the Company and the industry for elimination. Items like double-time pay elimination, reduced vacation and sick leave accruals, OJI reduction and so forth

Ultimately the decision on whether to accept or reject this agreement rests with you, the informed membership. Your committee will answer all questions on the implications of the proposed language changes.

The dates, times and locations of informational meetings will be available once we’ve had the opportunity to establish a schedule system-wide.

Your Negotiating Committee thanks you for your continued support and professionalism throughout the negotiation process. We are here to represent you.

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

**Dates of Informational Meetings**

To be announced

**City**

To be announced