



Aircraft Mechanics Fraternal Association

Administration Offices: 67 Water Street, Suite 208A
Laconia, NH 03246
Tel: (603) 527-9212 • Fax: (603) 527-9151

AMFA - Alaska Airlines Contract Negotiations Update # 16

September 12 through 16, 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
Dennis Hamel – Senior V.P. Employee Services
Scott Lautman - Employee Relations

2nd Tentative Agreement Reached

On Monday September 12th negotiations resumed at the Gold Coast Center in Seattle.

This week extensive negotiations resulted in a new tentative agreement (TA) on a 4 year contract. Your committee went back to the table with the goal of addressing the core concerns that resulted in the previous TA being voted down.

Those key areas of concern that were addressed during this session include:

- A **known and capped premium for the medical plan costs** for the 2009 premium rates, with an additional proviso that the costs for employees will not exceed 20% of an 80/20 cost share with the Company.
- **DOS anniversary raises** (1½%) remained unchanged from the previous TA. However, there is now a provision that provides for an annual review of our “all in rates” compared to other carriers.
- **Retroactive pay**, there will be a signing bonus of \$1,000 per individual, which will be paid within 30 day from DOS. Additionally, the new rates of pay will go into effect on **September 19th**, payable in a lump sum, assuming the contract is ratified and we sign the Agreement.

- The Article 6 provision for a **paid lunch when working overtime** is **back to book**.
- The **Avionics technician bid language** has been clarified from the previous TA.
- **Special Projects** language needed to be clarified to reflect that special projects will not replace field trips and that special projects are the exception, not the rule. Additionally, we moved the “Special Projects Crew” language into a separate LOA with a re-visit date of 24 months from DOS.
- **Lead Selection Panel** language has been removed and lead bidding is **back to book**. Additionally, there is now a requirement that there will be a written assessment at the mid-point of the trial period as outlined in Article 10 D1.
- **No progress** was made in our attempt to enhance the **Job Protection language** or amend the expiration date. However, we did amend the Duration language so that we’ll initiate **negotiations 1 year prior to the amendable date**.
- **Retirement enhancement** provisions for those employees who participate in the Enhanced 401K plan with a **new 3% automatic Company contribution**. Additionally, there will be another opportunity for employees in the defined benefit plan to **switch over** to the Enhanced 401K plan.
- Implementation of a new retiree medical coverage program where retirees may convert unused sick leave into retiree medical coverage (at a rate of **25** hours of accrued sick leave for 1 month of 100% benefit coverage).

Following, are components of the Agreement which did not change from the previous TA but are still included:

- 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). **Combined, reflects an 11.78% increase from today’s rates.**
- Term is for 4 years from DOS.
- 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.

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

Our committee encourages all members to read the full tentative agreement, which will be available soon. 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.

Another item to consider when evaluating this TA is not simply the amendments within the TA, 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.

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)**.

Voting timeline will be posted in the very near future.

Presently, we are expecting to have the ratification process completed no later than October 17th.