



AMFA/Alaska Airlines Contract Negotiations Update

Update # 15 **November 8, 2016**

Participants for AMFA:

*Gene Painter – Assistant National Director
Earl Clark – Chairman and Region I Director
Jason Munson – Airline Representative, Local 14
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Participants for Alaska Airlines:

*Greg Mays – VP, Labor Relations
Kurt Kinder – VP, Maintenance & Engineering
Constance Von Muehlen – Managing Director, Airframe,
Engine, Component MRO
Bob Hartnett – Director, Labor Relations Ground
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Megan Koering – Senior Financial Planning Analyst*

The Negotiating Committee is providing this update to the AMFA Membership at Alaska Airlines. This is the only official authorized source of negotiating communications by the Committee.

On November 1–3, 2016, AMFA and Alaska Airlines met to continue negotiations at the Four Points Hotel in Seattle, WA. We started the first day at 9:00 AM, with the Company asking us to go over our last economic proposal from October 13, 2016. The Company then wanted to do another review where Alaska Technicians would be ranked for all-in wages (all-in wages include base pay, license premiums, line premium, and maximum longevity) within the current airline industry. If all of the current offers to Technicians from the other carriers are approved, we would rank sixth among our peers, with Alaska's current all-in offer of \$43.18. Here is the projected ranking for airlines for all-in wages: Southwest, Delta, American, United, JetBlue, Alaska, Spirit, Hawaiian, Allegiant, and Frontier.

Towards the end of the day on Tuesday, the Company told us that they felt their last offer on the table from October 11, 2016, of a 9% wage increase on the day of signing with 1.5 % on the down years was very good. They then gave us their counter proposal with the only changes from their previous offer being increases to shift differential amounts. The increases were: second shift increasing from \$0.51 to \$0.60 an hour, third shift increasing from \$0.58 to \$0.75 an hour, and relief shift increasing from \$0.61 to \$0.80 an hour. We informed the Company that we would work on a counter the following day and would notify them when we were ready to meet.

On Wednesday we spent the day working on our counter proposal. Late in the afternoon we informed the Company that we would be ready to give them our counter proposal at 9:00 AM on the following morning.

We opened the next day talking about how far apart we are from the Company and where we see the industry going. We then presented our comprehensive counter proposal to the Company with some minor changes. We stayed with our last proposal from October 13, 2016, an increase in wages of 20% on the day of signing with 3 % increases on the down years. We reduced our license premium by \$0.25 by accepting the Company's proposal of \$2.00 for the first license and \$3.00 for the second license, with a maximum of \$5.00 an hour. We also accepted their increase on line premium from \$0.40 to \$0.60 an hour. We reduced our proposal on shift premiums and accepted the Company's offer on shift premiums as stated above. We held our position on increases to our retirement plans as presented during our July 18–20, 2016, negotiation session. The only change we made to our insurance was to

move from 6% to 7% caps on our 2016 rates paid and we kept our previous increases on dental, hearing aids, and chiropractic care as well as the mutually agreed upon increases in Life and AD&D.

After a Company caucus, we got back together at 2:00 PM and the Company gave us their counter proposal. They were unwilling to make any changes from their previous proposal on all-in wages; the only change they made was to agree with our increase to the inspector, lead, trainer, and RII premiums from \$1.50 to \$1.75 an hour. They then displayed a graph on the current and projected airline industry Technician wages to justify their offer. The Company informed us that our proposal of a 20% increase on the day of signing was a non-starter. They also told us that they will not give us any improvements on our retirement plans or medical insurance caps and are not willing to make any changes in Article 2, Scope.

We took a short caucus and came back to tell them that we will get back to them at our next negotiation session scheduled on December 1–2, 2016.

Remember to check your Local's website for the most up-to-date information on times and locations of negotiations: www.amfa14.org and www.amfa32.com. If you have any questions, please contact your Airline Representative or attend your next monthly membership meeting for a question and answer period.

If you plan to attend a future negotiation session, please contact your Airline Representative to RSVP; by RSVP'ing you are guaranteed a seat if the room is full.

Sincerely,

Your Negotiations Committee

Upcoming Negotiation Dates – Upcoming meeting accommodations and times are yet to be determined.

Dec. 1–2 Location to Be Determined