



Local 514

AMR Bankruptcy Update for June 17, 2012

Thinking of Retiring?

Please contact Local 514's Retirement Counselor Mark Loeber for details. Contact details are listed below:

Mark Loeber
TWU, Local 514
Retirement Counselor
9175 S. Yale Ave.
Suite 200
Tulsa, Oklahoma 74137
918-491-0079

Bankruptcy Information

Information about the bankruptcy comes almost everyday for hearings etc. The informer only goes out weekly. The Informer is not the best way to keep up with daily information for the membership. We highly recommend that you go to the computer at home or at work and go to www.twu514.org and see daily up to the minute updates. This is the fastest and most reliable way to be informed. You can also sign up for updates at www.twu.org (the International TWU website).

As was stated in the Bankruptcy update posted earlier in the week, we engaged in negotiations with the company with respect to the Mechanic and Related and Stores agreements on June 11th and 12th in New York. These discussions were mediated by Federal Judge Peck who requested that the substance of the negotiations be maintained as confidential. This request was made and honored by all three AA unions (APA, APFA, and TWU), each of which participated in the bankruptcy court voluntary mediated bargaining.

Both the company and the APA have announced that as a result of court mediation, the company made a "Last Best Offer" (LBO) to the APA. The APA has not determined whether it will send the LBO out to its members for a ratification vote. We also do not know the substance of the LBO, and will not know until the APA makes a decision on whether the offer will be sent out to its membership for ratification.

In the meantime, if the APA was successful in reducing the company's demands for relief, those five TWU groups which ratified agreements are entitled under their contracts' "Me Too" clauses to receive the same financial relief the company provides to the APA pilots (i.e. the same aggregate proportionate lowering of the ask). That is why TWU negotiated such clauses.

The TWU has also indicated to the company that if the Mechanic and Related and/or Stores groups were to reach a consensual deal, such an agreement must include a "Me Too" clause so that each of these work groups, (like the five other TWU groups that have already ratified their agreements) would be offered the same proportionate relief provided to the pilots or any other work group.

There is no timetable as to when negotiations with M&R and Stores would resume. We await word on the outcome of the pilot internal meetings early this week as their deliberations are driving the situation. However, we continue to stand ready to negotiate a fair and equitable agreement at any time.

We have received many questions about whether negotiations will continue in the event our two contracts are abrogated on or after June 22, and the company imposes its "ask" on those groups without a consensual agreement. The TWU has consistently stated that imposed pay and conditions are not a contract and our two non ratified agreements would then be open for negotiations under the RLA, even if the company's motion to abrogate is granted. It should be noted that in the event of a contract rejection, this issue, as well as related issues, will in all likelihood be subject to litigation.

While unions fare poorly in bankruptcy court, we strongly believe that the TWU presented an effective and persuasive case. We expect the judge to carefully consider our very valid arguments and analyses. We have posted the transcript and relevant exhibits and Affidavits on our website for your review.

As events unfold we will continue to keep our members updated.

Workers and Their Unions Key to Economic Turnaround, Election Outcome

Maryland Gov. Martin O'Malley (D) and Columbia University Professor Dorian Warren both say the best way to solve the nation's economic crisis is to grow the middle class rather than allowing wealth to concentrate in fewer and fewer hands. Unions, they say, will play a vital role politically and economically in building a strong middle class.

O'Malley and Warren spoke on a conference call with reporters Friday to counter recent attacks by lawmakers on workers and their unions.

O'Malley pointed to Maryland's top 10 ranking in job creation, its AAA bond rating and the fact it has the highest median income in the nation to show that economic prosperity is "achieved by a partnership with unions, not by scapegoating labor."

We don't see unions as an impediment to growth but organized labor helps us grow and maintain balance, invest in skills of the workforce and ensure people receive a decent wage for a decent day's work.

From the post-war era through 1973, when one in three working people had a voice on the job, said Warren, the nation had the smallest economic gap ever between the rich and the poor, because of the growing middle class with good union jobs.

But as efforts were made to weaken unions and attempts to modernize and strengthen the nation's labor laws were blocked, the middle class began to shrink, said Warren.

There are consequences to declining union strength and now we have the highest levels of economic injustice ever. Our economy has moved to an hourglass model with jobs at the top end and bottom end, but with the middle hollowed out.

When working people have a "strong collective voice," said Warren, "we get a stable and strong economy with continued economic growth. Unions still remain the best tool and best route for workers to improve their lives."

In the face of growing efforts to silence workers and their unions and the explosion of corporate cash and 1%'ers' campaign donations, Warren said:

Unions can challenge the money and power that threatens our democracy's legitimacy....With union households accounting for about 25 percent of the electorate, union votes will be a major factor and, in battleground states, a decisive factor.

Mike Hall, AFL-CIO

Wheelchair Donations

The Claremore VFW usually keeps wheelchairs to loan out to individuals in the VFW who need them. They are currently out of wheelchairs. Please feel free to donate, for a good cause, any unused wheelchair to the TWU Hall and I will deliver them to the Claremore VFW. In the event they receive an over abundance of chairs, I will take some to the Veterans Hospital in Claremore and to nursing homes in the area that need them. Thanks RD Mullings

Blood Drive

Rock & Roll Up Your Sleeve Heroes on the Homefront Blood Drive

Tuesday, July 17th, 2pm – 7pm

TWU Hall
11945 E Pine St

Please call 1-800-733-2767 or go to www.redcrossblood.org sponsor keyword: Heroes - to schedule an appointment