

**Local 514**

Just the Facts....

Thinking of Retiring?

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

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Bankruptcy Information

Information about the bankruptcy comes almost everyday for hearings etc. The informer only goes out weekly. For the most current information, 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).

Last week an advertisement was posted in the Tulsa world urging Tulsa 514 members to vote against the tentative agreement which is before us now. The persons paying for this ad declined to identify themselves. The reasons for this are obvious --- the ad is very misleading and parts are completely untrue, and it was not paid for by members of this Local, but rather the members of line locals.

The ad claims that the proposed agreement does not guarantee jobs.

Guarantees are hard to come by in bankruptcy, but the tentative agreement requires that 65% of aircraft maintenance work must remain in house to be performed by our members. The highly likely alternative to the proposed agreement is the Company's March 22 term sheet, which will be imposed if our contract is abrogated and calls for far greater outsourcing and far greater job loss. In short the only "guarantee" in this process is that if you follow the advice of the anonymous sponsors of this ad we will have to endure far greater sacrifice in terms of lost jobs and work

The following are just a few of the many other misstatements:

We will lose Overtime (job continuation) up to 3 hours determined by management.

The above provision only applies to line maintenance.

Yet to be defined "Peak Base Visits" allowed to be 100% outsourced.

This is not true! Peak Base visits by Aircraft is part of the 35% outsourcing limit. The company wanted to be able to contract out aircraft if the docks were full but they did not get that ability with the T/A

We have seven days between a "no" vote and the Judge's ruling on contract abrogation to negotiate something better.

The Company has no further obligation under the Bankruptcy Code to negotiate with us prior to Judge Lane's ruling

Even if our contract is abrogated we will be able to negotiate a better one because we will be released by the National Mediation Board (NMB).

If our contract is abrogated the likelihood is that we will be living under the March 22 term sheet for years. The NMB rarely, if ever, releases employees to strike a carrier while their carrier is in bankruptcy, and even after the carrier emerges it generally takes three to four years to negotiate the first post bankruptcy contract. The NMB does not expedite this process for those without agreements.

Local 514 members should have no illusions about the true strategy and motives of the "Vote No" contingent - they want to sacrifice heavy maintenance and Title II as a trade off for improving their own pay and benefits. One of their leaders (Bob Owens) made this abundantly clear when he stated the following on an aviation blog last April.

Just the Facts...

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“As far as headcount I believe I've made it clear that in Bankruptcy its nuts to try and hold on to language that nobody else has at the cost of driving down compensation to new lows. The company has three points where they meet the standards for abrogation;

- 1. The Defined Benefit pension*
- 2. The Retiree Medical*
- 3. Language keeping the volume of Overhaul in house.*

On number three it has never been proven that it's a liability, however the truth doesn't matter and it's a huge number that provides leverage in favor of abrogation and the judge will abrogate the whole contract as long as it's there. I say give them those three things and demand comparable compensation and benefits and watch them scramble to make a case for abrogation.” He also stated: the line has taken the position "we'll give you what your competitors have (no Defined Benefit, no Retiree Medical but we get all our funds, and the ability to outsource what competitors outsource) but you have to give us what they give our peers”.

However, the above strategy is self defeating even for line mechanics, and to understand this all you have to do is go back seven years and look at what happened at NWA. In between 2001 and the 2005 mechanic strike, NWA managed to outsource the majority of its heavy checks. When NWA mechanics struck, the Company only needed a thousand or so line aircraft mechanics to sustain its operation, something which it managed to accomplish through a combination of new hires and scabs. The result was one of the worst fiascos in the history of airline labor and an immense tragedy for thousands of mechanics, related workers and their families.

Indeed, the strategy of the “Vote No” contingent also does not work in bankruptcy court. US Airways and UAL mechanics gave up all or most heavy maintenance in bankruptcy and still had to make enormous concessions in pay and benefits, including termination of their pension plans.

The TWU local 514 Board through a majority vote decided to advise the membership that they recommend voting yes on the tentative agreement now before us. This decision was based on the simple fact that a “no” vote will open the door to tens of millions of dollars in further concessions beyond those required in the tentative agreement. Those additional concessions will be exacted disproportionately from Local 514 members. **Vote as you choose**, but you should carefully examine the motivation and objectives of those Line Station leaders who are more than willing to sacrifice your interest for themselves.

Two new Videos have been posted on the twubkfacts.org. The first video is the TWU economic advisor, Tom Roth, discussing the AMR bankruptcy and its impact on workers. The second video is TWU Bankruptcy Attorney, Sharon Levine, also addressing the facts of the AMR bankruptcy and its impact on our members. The videos will answer many of the questions on the floor about Airline bankruptcy's