



United Master Executive Council
Association of Flight Attendants - CWA
AFL-CIO



Negotiations Update

Denver and Chicago played host to negotiations this month as stakeholders gathered to discuss key sections of the collective bargaining agreement. While waiting for management's initial proposals on Compensation and Expenses, Transportation, and Lodging (Sections 4 and 5), some counter proposals were exchanged between the negotiating parties. During the Denver session, management presented counter proposals on General (Section 3) and Special Qualification Flight Attendants (Section 9), while the union responded with a counter proposal on Uniforms (Section 25).

Looking ahead, the upcoming sessions in July hold a promise of further productive discussions. Negotiators will convene in Washington, DC, during the week of July 17th, followed by another meeting in Chicago during the week of July 31st. In the meantime, we will diligently analyze management's proposals and prepare our own counter proposals. Additionally, preparations are underway for the Summer MEC Meeting, scheduled for July 14th in Chicago, where a report will be presented.

As we highlighted in our previous update, negotiations in the aviation industry are intensifying, particularly for groups that began bargaining earlier than us. On June 2nd, Lynn Montgomery, President of TWU 556, which represents Southwest Flight Attendants, announced that an agreement in principle (AIP) had been reached with Southwest management. TWU 556 has been engaged in negotiations since before 2018 when their Flight Attendant collective bargaining agreement became amendable.

An agreement in principle signifies that negotiating committees from both management and the union have reached a consensus on the fundamental terms of a future collective bargaining agreement. Subsequently, the parties proceed to refine the agreed-upon principles and compile them into a Tentative Agreement. Since reaching the AIP, the TWU negotiating committee presented the agreement to the TWU 556 Executive Board (equivalent to our MEC), and it was rejected by their Board. They will now return to the negotiating table under the auspices of the NMB. Notably in addition to the Flight Attendant announcement, Southwest mechanics have also confirmed reaching an AIP.

(continued on next page)



Negotiations Update *continued*

Prior to reaching this AIP, and subsequent rejection, Southwest Flight Attendants had been engaged in federal mediation for nearly a year, having filed for such mediation in July 2022. This agreement marks the culmination of years of collective action and solidarity efforts, including sustained picketing over the past year.

In like manner, it is crucial that we continue to demonstrate our Solidarity by wearing the red AFA pin, as it plays a vital role in our success during these negotiations. Staying informed and actively involved is equally important. Interested individuals are encouraged to sign up for an upcoming InfoRep training course at their Local Council to help our flying partners stay updated and engaged in the negotiation process.

Scott Kirby - Our \$10 Million CEO

We want to bring to your attention some recent developments regarding the CEO compensation at United Airlines and its implications for our workforce. It has come to light that Scott Kirby, the CEO of United Airlines, has surpassed the CEO of Delta Airlines to become the highest-paid CEO in the U.S. airline industry.

The calculation of CEO compensation for 2022 has been affected by a new rule implemented by the Securities and Exchange Commission (SEC), which now requires disclosure of "compensation actually paid." This new rule takes into account fluctuating stock valuations, which now account for a larger percentage of total compensation. Among all the CEOs of U.S. airlines, Kirby is the only one who earned more under this new disclosure method. This is largely due to the fact that United Airlines stocks have been performing well, resulting in highly profitable stock valuations.

According to this new methodology, Kirby's "compensation actually paid" amounted to \$10.6 million. Stock compensation plays a significant role in determining the salaries of major airline CEOs, including Kirby. When the airline performs well, thanks to the hard work of employees like us, the stock value rises, and CEOs benefit from substantial gains in stock valuation.



This situation raises concerns about ongoing disparities in compensation. While CEOs like Kirby enjoy substantial financial gains through stock valuations, workers like us have been struggling to secure cost-of-living raises. It is disheartening to witness the stark contrast between the increasing wealth of executives and the financial challenges faced by the workforce.

We must continue to address this issue and advocate for fair and equitable compensation, benefits, and work rules for our efforts. It is crucial that our Union remains vigilant in negotiating for better wages and benefits that reflect our hard work and dedication.

We will closely monitor the data related to United Airlines' stock performance and Kirby's compensation to ensure that our interests are properly represented. It is our responsibility to hold the company accountable and fight for our rights as valued employees. (sources: skift.com and salary.com)

Air Wisconsin Flight Attendants File for Mediation

The Association of Flight Attendants (AFA) Air Wisconsin Master Executive Council (MEC) and Air Wisconsin management have jointly filed for mediation with the National Mediation Board (NMB) in an effort to resolve their ongoing contract disputes. With negotiations at a standstill, both parties have expressed the need for an impartial mediator to help facilitate a mutually agreeable resolution.

Over the past few sessions, discussions between AFA Air Wisconsin Flight Attendants and their management have reached an impasse, with little progress made. The main bone of contention revolves around the implementation of a Preferential Bidding System (PBS) proposed by the management, coupled with what the Flight Attendants' union considers inadequate compensation offers.

While the management insists on the adoption of the PBS, the AFA Air Wisconsin Flight Attendants remain firm in rejecting the proposed system, citing concerns about its fairness and potential impact on the Flight Attendants' work-life balance. In response, the AFA Air Wisconsin MEC has consistently put forward counterproposals that demand significantly higher compensation for its members.

The lack of consensus and the widening gap between the parties' positions led to the decision to seek mediation. Both the AFA Air Wisconsin MEC and the Company acknowledge the necessity of external assistance to find a viable path forward that addresses the concerns of both sides.

Mediation, a process in which an impartial third party helps facilitate negotiations, is expected to provide a platform for productive discussions. The involvement of the NMB aims to create an environment conducive to constructive dialogue and assist in finding a resolution that satisfies the interests of all stakeholders.

The decision to file for mediation reflects the commitment of both parties to reach a fair and equitable agreement. By engaging in this process, they hope to overcome the current stalemate and establish a mutually beneficial framework that supports the interests of the Flight Attendants and the company alike.

As the mediation process commences, representatives from the AFA Air Wisconsin MEC and the Company will collaborate with the mediator to explore potential compromises and bridge the gaps between their respective positions. While the outcome of mediation is uncertain, it provides an opportunity for the parties to reevaluate their demands and work toward a resolution that addresses the needs and concerns of all involved.

As the aviation industry continues to recover from the impact of the pandemic, a harmonious labor agreement is essential for both the Flight Attendants and the company to move forward effectively. The success of the mediation process will play a pivotal role in determining the future working conditions and compensation packages for the Flight Attendants, as well as the overall stability and growth of the company.

Both the AFA Air Wisconsin Flight Attendants and the Company remain hopeful that the mediation process will lead to a breakthrough, allowing them to find common ground and reach a mutually acceptable agreement. Until then, the Flight Attendants and management will await the outcome of the mediation sessions with optimism, in the hopes of achieving a resolution that benefits all parties involved.

