



NEWS YOU CAN USE

Welcome to our new newsletter. Our goal is to publish it frequently and to use it to expand on and clarify the articles of the contract along with policies and agreements that we work under every day. If there are particular subjects that you would like us to cover, please let us know.

For this first issue, I am going to cover **Article 4 - Compensation**.

As everyone knows we ratified a new joint collective bargaining agreement that became effective November 7, 2016. Since all annual increases are effective **on the date of change** the increases will be effective November 7th of each succeeding year.

All YOS step increases will be effective on **your** pay seniority date.

Remember that YOS step increases begin on the first day of that year of service. What that means is since you are on YOS 1 on your first day of employment you will increment to YOS 2 on day 366 of your employment. So, the easy way to remember this is that your YOS step is the year you are currently working to complete and not the amount of completed years of service.

Below are the pay scales (*as an hourly wage*) with the effective dates of each annual increase. The increases are 1%, 1%, 2% and 2%.

<u>YOS</u>	<u>11/7/16</u>	<u>11/7/17</u>	<u>11/7/18</u>	<u>11/7/19</u>	<u>11/7/20</u>
1	37.75	38.13	38.51	39.28	40.06
2	42.00	42.42	42.84	43.70	44.58
3	46.00	46.46	46.92	47.86	48.82
4	50.00	50.50	51.01	52.03	53.07
5	50.50	51.01	51.52	52.55	53.60
6	51.25	51.76	52.28	53.33	54.39
7	51.75	52.27	52.79	53.85	54.92
8	52.50	53.03	53.56	54.63	55.72
9	53.00	53.53	54.07	55.15	56.25

Paragraph (a) 1 allows the Company to hire someone on a YOS step above YOS 1 but no higher than our lowest current Employee. If our lowest current Employee is on YOS 3 they can hire someone and start them at no higher than YOS 3. This is what both legacy Companies were doing prior to the merger.

Paragraph (b) covers selection of the Temp Lead and is pretty self-explanatory.

Anyone acting as Temp Lead will receive an additional \$1.00/hr. and this is paid in 1 hour increments. If the person acting as Temp Lead leaves 2 hours early he/she will receive 6 hours Temp Lead pay and the next senior person will be paid Temp Lead for the last 2 hours of the shift.

Temp Lead pay is included in the calculation for overtime and holidays.



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All Tech Coordinators will receive a \$1.00/hr. premium and this is included in their base pay.

All Development Engineers will receive a \$2.89/hr. premium and this will be included in their base pay.

Now for a rather unpleasant subject caused by the Implementation Letter for the JCBA, pay slotting.

First we will cover the Simulator Engineers.

I will start from the pre-merger policies.

Legacy US Airways was hiring new hires on year 9 of a 13-year scale. Legacy American was hiring new hires on year 3 of a 9-year scale. How to fairly slot the people that were not top of scale at that time into the new pay scale was proving difficult for both Legacy negotiating teams.

What the negotiating committees agreed to was that we would slot those folks into the new pay scale based on this premise: however far you are from the top of your current scale is how far you will be from the top of the new pay scale. While this was not the perfect method, our thought was that the expectation of time to top of scale for these folks would not change from pre-JCBA to new JCBA, and that was as fair as we could make it.

At this time we were near completion of the negotiations and were down to a term sheet. We explained our method for pay slotting to International Representative Gary Shults. Gary then went to the Company with this and the last several items we had left for negotiations. The Company agreed with what Gary Shults told them for pay slotting.

When the Implementation Letter was drafted (by the Company) this was the wording regarding the pay slotting:

All LAA and LUS Employees will be pay slotted in the new JCBA pay scale provided in Article 4.A. based on their current steps in the LAA and LUS pay scales.

We assumed this was the Company's way of stating what we had agreed to.

After implementation I was made aware of the fact that all of the Legacy US Airways Employees were moved to top of scale (YOS 9) of the new JCBA.

I contacted Beth Holdren (Director of Labor Relations and the lead person for our negotiations). I explained that the method of pay slotting the Company used was not what we had agreed to. Beth stated that the language was clear and that the Company had consulted Legal and this was their interpretation as well:

The Year step you are on in the old legacy agreements would be the year step you would be on in the new agreement.



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This had an adverse effect on all LAA Employees not at top of scale for this reason:

Since LUS hired on year 9 of the old LUS agreement and the new scale was 9 years the LUS people went to top of scale. LAA hired on year 3 of the old LAA agreement so the LAA people went to year 3 of the new scale.

We are not sure if Gary Shults explained our method incorrectly, the Company interpreted Gary's explanation incorrectly or it was just drafted incorrectly and the Company stuck with it.

Regardless of how it happened, the Company refused to change their interpretation of the pay slotting and so here we are.

Now for the Development Engineers (DE's).

During the entire discussions regarding the DE's the Company wanted to keep LAA DE's Non-Union. During that process they continually proposed protections and benefits that were very beneficial to the LAA DE's. As soon as they agreed to make the LAA DE's Union they proposed the current pay slotting which was not beneficial to those folks to say the least.

We attempted to improve the pay slotting for the LAA DE's but the Company would not budge from their proposal. So, the LAA DE's were slotted in at the next higher step above what they were currently being paid.

The Company stated that they could not make changes to the LAA DE's pay rates until December 19, 2016 so those folks were given a one-time lump sum of \$1200 to make up the difference from the JCBA effective date until December 19, 2016.

That pretty much covers Article 20. If there are any questions, please don't hesitate to ask your Union Representatives.

Robert Lenhart