Teamsters Broken Promises at United Airlines

The Reality of Teamsters Representation; 3 years of outsourcing at United and Horizon Airlines

The Teamsters failed to perform the CBA mandated OSV audits in 2007, 2008 and 2009. The Teamsters now claim it is unenforceable. **UAL mechanics successfully enforced this Scope language in 2005 and 2006.** They told us for three years they were working on <u>it</u> and now they have eliminated the audit from the contract. They were lying the whole time! *Mechanics have sacrificed too much to allow IBT negotiators to throw it out.*

UAL Teamsters failed to fight the outsourcing of aircraft maintenance work

The Teamsters union held only one hearing related to the OSV case, and have invested little union time or resources defending our contract. The teamsters lost the OSV case due to incompetence and inexperience. The teamsters don't have the <u>will</u> or the resources to protect our membership or contract.

- 2008 UAL furloughed nearly 1000 UAL mechanics and closed or reduced many UAL line stations
- 2009 teamsters lost the UAL OSV Audit 20% limit arbitration
- 2009 teamsters lost the Line maintenance arbitration over the closing of line stations

Since the IBT 2008 takeover at United 840 mechanics have been eliminated

• April 10, 2008 **5594** United mechanics voted in the "Securing our Future" Teamsters **The REALITY OF TEAMSTERS REPRESENTATION 3 YEARS LATER:**

April 10, 2011 **4756** United mechanics are left to vote on eliminating 50 years of language, Seniority, Scope and Medical Benefits and Retiree Medical in a teamsters concessionary contract.

Horizon Airlines Teamsters sign LOA to allow HMV outsourcing

Teamsters Appointed Business agents agree to not fight outsourcing of Horizon mechanics heavy aircraft maintenance in a letter of agreement. While UAL and CAL appointed business agents destroy their contract language the mechanics at Horizon are without elected representation. The teamsters negotiated a letter of agreement stating the Teamsters will not fight the outsourcing <u>or to speak publicly against it!</u>

Since the IBT 2009 takeover at Horizon 36% of the mechanics have been eliminated

• April 21, 2009 **484 Horizon mechanics** voted in the "Power in Organizing" Teamsters. **The REALITY OF TEAMSTERS REPRESENTATION 2 YEARS LATER:**

December 15, 2010 **312 Horizon mechanics** are left to vote on outsourcing their work.

For a better contract and representation at the negotiating table we need our own Union with the backing of the AFL-CIO. A Union built by mechanics for mechanics that will enforce our contract and not trade it away for an "Employment Policy" from Continental Airlines.

HEAVY CHECK SETTLEMENT AGREEMENT

This confirms the terms of the settlement reached by the parties after engaging in good-faith negotiations.

Whereas: Horizon Air timely notified IBT on August 2nd, 2010 of its intent to subcontract heavy aircraft maintenance work and furlough IBT –represented maintenance personnel; and

Whereas, Horizon has advised the IBT and Local 986 that its decision to outsource such work is not attributable to the quality of work or productivity of its IBT-represented maintenance personnel, but that the sole reason for outsourcing such work is attributable to fleet size, lengthy gaps between heavy check maintenance work on its aircraft, and heavy-check maintenance schedule.

Whereas, Horizon Air offered IBT opportunity to bargain over the decision and effects of its intent to subcontract subject to and in accordance with the terms and previous set forth in the current collective bargaining agreement (CBA); and

Whereas, IBT elected to negotiate pursuant to Article 2 of the CBA and: Whereas, Horizon and IBT engaged in good faith negotiations, which resulted in the agreement as described herein;

Accordingly, the parties hereby agree as follows:

- 1. This Settlement Agreement (the "Agreement") shall constitute the entire agreement of the parties, the International Brotherhood of Teamsters (the "IBT") and Horizon Air, Inc., (the "Company"), concerning the decision of the Company to outsource certain maintenance work.
- 2. Neither the execution of this Agreement, nor any of its terms and conditions, shall constitute evidence of or be construed as an admission of any contractual liability under the CBA on the part of the company, and the IBT shall not make any statements or other representations which suggest to the contrary. The parties agree that any announcement of this Agreement to the employee/members shall include a statement indicating that "both sides reached a mutually satisfactory agreement on all terms resolving any potential grievance associated with the company's announced plan to outsource heavy maintenance to a duly certified FAA-complaint MRO."
- 3. The IBT and Local 986, upon request, will be provided access and a reasonable number of days to inspect and review all relevant information and document (subject to appropriate confidentiality agreements required by the Company) to determine whether such work might be performed more efficiently by IBT-represented maintenance personnel. Such inspections, when request, will be limited to no more than once every twelve months, normally in June, and costs associated with such inspections will be shared equally between the Company and the IBT. Upon completion of the above-described inspections and reviews, the Company will promptly meet with the IBT and Local 986 to fully discuss the findings and whether the Company should consider bringing heavy aircraft maintenance that is the subject of this agreement in-house to be

performed by the Company's IBT-represented maintenance personnel. The Company will not unreasonable reject suggestions, recommendations and alternatives proposed by the IBT and Local 986 during such discussions. The Company and Union recognize that there are many factors which will change over time that make such an evaluation complex, and the Company shall retain the sole authority on whether to bring the heavy maintenance work back in-house, subject to whatever limitations to such authority may otherwise be agreed upon by the Company and Union.

- 4. In exchange for the consideration listed in Paragraph 3, the IBT and Local 986, in their own behalf and on behalf of the Company's employees the IBT currently represents, hereby agrees not to file any grievances with respect to the subcontracting that is the subject of this Agreement and announced on August 2, 2010, nor will they file any grievances relating to any layoffs directly attributable to said subcontracting. Furthermore, the IBT will not sponsor any new grievances that challenge the subcontracting announced on August 2, 2010 or any associated layoffs (nor is it aware of any outside of the subject grievance). Furthermore, IBT and Local 986 will not sponsor, participate in, or approve any publicity campaign directed solely at Horizon Airlines regarding the subject of outsourcing of the aircraft heavy check maintenance work that is the subject of this Agreement.
- 5. In exchange for the consideration listed in Paragraph 4, the Company shall:
 - a) Provide each qualified maintenance employee (as defined in Attachment A) the option to participate in the VSI package according to the terms reflected in Attachment A. A partial year of service shall be prorated.
 - b) The Company shall offer the VSI package to the employees covered by this Paragraph 4(b) in accordance with the promulgated timeline in Attachment A.
- 6. The parties agree that any dispute over the interpretation or application of this Agreement may be presented to the System Board of Adjustment, which shall have exclusive jurisdiction over the dispute and the authority to render final and binding decisions thereon.
- 7. This Agreement may be modified only by written amendment, signed and dated by an officer of the IBT and an officer of the Company.
- 8. This settlement is made on a non-precedential basis. Except as described in Paragraph 3, above, no party, employee or grievant shall suffer any diminished of rights, benefits or prerogatives secured under law or contract, by operation of the terms of this Agreement.

9. Unless specifically expressed herein, no term is to be implied into this Agreement, and this Agreement shall be strictly construed against any proposed term which is not expressly stated herein.	
For the Company:	For IBT:
Dated	Dated:
As to Form for the Company:	As to Form for IBT:
Dated	Dated:



Horizon Air Information

Representative Info

Clacy Griswold - Coordinator and Airline Division Representative

Jim DeKay - Business Representative - PDX, EUG

Dave Elmore - Business Representative - LAX

David Saucedo - Business Representative - SEA, PSC, GEG, BOI

Rich Chase (PDX) - Chief Shop Steward

NEW INFO - Contract Negotiation Update

Today, December 15, 2010 the Horizon Airline Mechanics and related voted to ratify the new Agreement by the following count:

Ballots sent out, 312
Ballots cast, 247 79%



NATIONAL MEDIATION BOARD

WASHINGTON, DC 20572

(202) 692-5000

In the Matter of the

REPRESENTATION OF EMPLOYEES

of

HORIZON AIR INDUSTRIES, INC.

Mechanics & Related Employees

36 NMB No. 38

CASE NO. R-7196

CERTIFICATION

April 21, 2009

The services of the National Mediation Board (Board) were invoked by the International Brotherhood of Teamsters (IBT) on February 11, 2009, to investigate and determine who may represent for the purposes of the Railway Labor Act (RLA), as provided by Section 2, Ninth, thereof, personnel described as "Mechanics & Related Employees," employees of Horizon Air Industries, Inc. (Carrier).

At the time this application was received, these employees were represented by the Aircraft Mechanics Fraternal Association (AMFA).

The Board assigned Investigator Susanna Parker to investigate.

FINDINGS

The investigation disclosed that a dispute existed among the craft or class of Mechanics & Related Employees, and by direction of the Board, the Investigator was instructed to conduct an election to determine the employees' representation choice.

The following is the result of the election as reported by Investigator Parker.

Election Results for Mechanics & Related Employees	
Eligible Employees	484
AMFA	187
IBT	245
OTHER	1

The Board further finds that: the Carrier and employees in this case are, respectively, a Carrier and employees within the meaning of the RLA, as amended; this Board has jurisdiction over the dispute involved herein; and the interested parties, as well as the Carrier, were given due notice of the Board's investigation.

CERTIFICATION

NOW, THEREFORE, in accordance with Section 2, Ninth, of the RLA, as amended, and based upon its investigation pursuant thereto, the Board certifies that the International Brotherhood of Teamsters has been duly designated and authorized to represent for the purposes of the RLA, as amended, the craft or class of Mechanics & Related Employees, employees of Horizon Air Industries, Inc., its successors and assigns.

By direction of the NATIONAL MEDIATION BOARD.

Mary L. Johnson General Counsel

may L. Johnson

The Seattle Times

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Horizon Air plans 120 layoffs in Portland and Seattle

By Dominic Gates

Seattle Times aerospace reporter

Horizon Air, the regional airline run by Alaska Air Group, is laying off 120 employees in Portland and Seattle as it cuts its fleet capacity and shuts down three airport bases.

The trigger for the move was a deal finalized Tuesday to lease four of Horizon's Bombardier CRJ-700 regional jets to Atlanta-based Atlantic Southeast Airlines.

With its fleet shrunk, the carrier will furlough 40 flight attendants and 40 mechanics on Aug. 22 and 40 pilots in early November, all according to seniority.

Horizon will close its bases at airports in Idaho Falls, Idaho, and in Flagstaff and Prescott, Ariz., and will no longer fly to those destinations.

Horizon has just over 600 pilots and 570 flight attendants, 70 percent of whom are based in Portland, the rest in Seattle. Most of its approximately 450 mechanics are in Portland.

The airline has been trying to get rid of its 70-seat CRJs since deciding in 2008 to shift its fleet to one aircraft type: the Bombardier Q400 turboprop, which is more economical to operate on shorter routes like those Horizon flies.

However, the economic downturn killed the market for used CRJs, and until this week Horizon had managed to offload only three out of 20 of them.

Horizon has eight Q400s on order from Bombardier, set for delivery in 2012 and 2013. But Dan Russo, Horizon's vice president of marketing, said even if four Q400s were immediately available to replace the CRJs, it would be "prudent" in the current economic climate to cut capacity instead.

"These cuts were reductions we had under consideration anyhow because the routes were not performing well," Russo said.

After leasing the four airplanes, Horizon's fleet will consist of 40 Q400s and the remaining 13 CRJs, which it is still actively marketing to other airlines.

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Close

By Elyse Moody



Alaska Airlines subsidiary Horizon Air will contract out heavy maintenance for its entire fleet of 40 Bombardier Q400 and 15 CRJ 700 aircraft, work that had mainly been done in-house in Portland, Ore.

The first outsourced Q400 will be inducted this Wednesday, Aug. 25, at Empire Aerospace in Idaho. The decision fits into the gradual trend of the carrier and the North America industry at large sending more labor-intensive airframe work to third-party maintenance providers.

Earlier this summer, the International Brotherhood of Teamsters said Horizon was considering new vendors for heavy maintenance (DAILY, May 26). The union represents about 100 mechanics in Portland who carried out the work.

Airline spokeswoman Jen Boyer says Horizon worked with IBT to negotiate early-out and voluntary furlough packages for eligible mechanics; she says Empire Aerospace also is interested in considering affected Horizon mechanics for open positions. No involuntary layoffs have happened yet, according to the airline.

The CRJ 700 fleet has more of a history with outsourced heavy maintenance. Horizon has been sending its CRJ 700s to Emery Air in Rockford, Ill., for heavy maintenance for quite some time, Boyer says. And according to AVIATION WEEK's MRO Prospector data tool, AAR Corp. has done some CRJ 700 and Q400 C-checks for Horizon in the past, though it no longer does, says AAR spokesman Chris Mason.

The Q400s now will go to Empire, which Boyer says has done significant modification work on the type in the past.

Horizon's mechanics will continue to carry out line maintenance on both types in several cities, and Boyer says the carrier has shifted some mechanics around to places where it has increased aircraft overnights to boost reliability.

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