

# Questions for the TWU/IAM Alliance – Part II

## THE ALLIANCE

### **1. Q: Why is this the right time for the TWU/IAM representation Alliance?**

A: TWU and IAM both believe that fighting to achieve industry-leading contracts for TWU and IAM members at the “new” American Airlines is a better use of resources than fighting each other in a bitter representation campaign. With the issue of representation settled, preparations for joint negotiations can begin much sooner and positive results can be achieved much quicker.

We are currently operating in an environment in which unions and collective bargaining are under continuous assault from anti-worker forces. Our preference is to work with other labor organizations to fight management and those who wish to take our rights away, rather than to fight each other. Indeed, AFL-CIO President Rich Trumka, in a letter to both unions, urged the TWU and IAM to join together rather than fight for precisely this reason.

### **2. Q: Will the TWU/IAM Association be our new union?**

A: No. The Association will only hold the certification. The Association is an affiliation between the two unions that will seek to have the NMB certify it to represent the membership. These sorts of affiliations exist throughout the rail industry and, to a lesser extent in the airline industry, and have been formed in response to mergers and consolidations.

### **3. Q: How will station ratios affect members who are on layoff and awaiting recall back to a station that will be administered by a different labor partner?**

A: There are no station ratios. The ratio is on a system-wide basis. There would have to be a shift in the system-wide ratio before any possible realignment of station responsibility would be contemplated.

Recalls will be handled in accordance with the individual CBAs until a single CBA is negotiated with the carrier.

### **4. Q: How long will the TWU/IAM Airline Employee Associations last?**

A: The Associations are intended to be the permanent certified bargaining representative of the combined groups. They can be changed only if both unions agree to do so, or if another union applies for representation to the NMB and, after winning an election, is certified to displace the Association.

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**5. Q: Will either labor partner lose membership because of the Association?**

A: No. The Association in and of itself will not create membership loss for the TWU or IAM. The system ratio snapshot determines the *percentage* of the combined membership each union retains. Gains or losses in future total membership will be shared according to the system ratio snapshot.

**6. Q: How will the Association affect any future union mergers?**

A: A number of organizations over the years have expressed interest in having an alliance or merging with either the IAM or TWU. Those proposals will be evaluated based on their merits. Participation in the Association will have no bearing on the matter.

**7. Q: Will the members have only two choices when the Alliance election is held?**

A: Most likely, yes. When the Association applies for representation the choices will be for the Association or no union, unless an outside union intervenes and appears on the ballot.

### **REPRESENTATION ASSIGNMENTS**

**1. Q: How will station ratios affect members who are on layoff and awaiting recall back to a station that will be administered by a different labor partner?**

A: There are no station ratios. The ratio is on a system-wide basis. There would have to be a shift in the system-wide ratio before any possible realignment of station responsibility would be contemplated.

Recalls will be handled in accordance with the individual CBAs until a single CBA is negotiated with the carrier.

**2. Q: If at a later date the balance in a certain station turns in favor of one labor partner due to recalls, will that station revert to the other labor partner?**

A: No. Stations will not be reassigned based solely on staffing changes at those particular stations, but rather on the overall system staffing. Unless the “*system ratio*” of the labor partners is significantly altered, there will be no station reassignments. However, if future staffing changes have a major impact on the initial system ratio, the Association Chairman and Vice Chairman (leadership of both unions) would meet and discuss if particular station reassignments are necessary.

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Disputes arising over this subject that cannot be resolved by the parties will be presented to a neutral umpire for resolution.

**3. Q: Who will pay for the salaries of the newly created positions in the association?**

A: There are no newly created salaried positions in the Association. It will be serviced by the existing officers of both organizations.

**4. Q: What will happen to TWU locals in those stations that will turn IAM?**

A: the TWU local charter will be withdrawn and the assets will go into the general fund – earmarked for future ATD negotiations and expenses.

**5. Q: Will there be any realignment of our TWU locals because of this joint agreement?**

A: No

**6. Q: How will transfers of membership be handled when a TWU member transfers to an IAM station and vice-versa?**

A: A procedure will be worked out between the unions modeled on the procedures both organizations have when a member transfers to a city or station covered by a different Local. No initiation or transfer fees will be assessed by either union. New hires, however, will pay any initiation fees required by the labor partner responsible for the location at which they are hired.

**7. Q: How will local grievances be handled?**

A: The same as today.

### **NEGOTIATIONS**

**1. Q: How will the alliance help us to negotiate a joint contract?**

A: The primary goals of a joint contract will be to preserve the best in both agreements and to make sure our membership is rewarded for the efficiencies created by the merger. We will also be able to pool our resources and expertise, focusing them on securing an industry-leading joint contract as quickly as possible.

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### **2. Q: Who will help if the two unions disagree on certain contract issues?**

A: All negotiating committees have some degree of initial disagreement on issues, and that is by design. Committee members come from varied backgrounds and locations so as to be a proper representation of the vast membership. But the varied backgrounds and experience is precisely what is needed to craft innovative solutions to the issues facing our membership. Even if there is initial disagreement, negotiating committees ultimately find consensus. This Joint Negotiations Committee will be no different.

### **3. Q: Will the TWU and IAM work under two different work rules?**

A: TWU members at American Airlines and IAM members at US Airways will work under their current agreements until (1) either union reaches a new agreement for their members only at the pre-merger carrier in which they currently represent employees or (2) the Association negotiates a joint agreement that is ratified by the memberships of the TWU and IAM.

Once there is a ratified joint agreement, all work rules should be the same, except to the extent that some Locals may bargain variations in matters left to their discretion.

### **4. Q: Will there be any restrictions on system transfers due to the Association?**

A: When a joint contract is negotiated by the Association and ratified by the TWU and IAM memberships there will be no restrictions on system transfers as a result of the alliance.

## **PENSION ISSUES**

### **1. Q: Will TWU members have a choice on picking to stay with a 401k and match instead of the IAMNPF?**

A: The TWU has agreed with the IAM that in joint negotiations it will support the preservation of the IAMNPF for IAM members and make it available as an option in negotiations to TWU members. However, having a 401k match either as a supplement (for everyone) or as an alternative to the IAMNPF (for TWU members) is also a goal in negotiations. Ultimately, the members will decide to approve or reject whatever is negotiated with the carrier.

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- 2. Q: Are TWU members starting a new pension plan or handing over our frozen pension to the IAM National Pension Fund (IAMNPF)?**

A: No. There is no plan to start a TWU pension or transfer the assets of the frozen pension to any other entity.

- 3. Q: Will TWU members be forced to participate in the IAMNPF?**

A: No. The objective is to preserve as much choice and flexibility as possible. However, if we have the opportunity to restore or offer a defined benefit plan to TWU members we have an obvious interest in doing so. Ultimately, the members will decide to approve or reject whatever is negotiated with the carrier.

- 4. Q: Would all union (TWU/IAM) members have a choice on joining or staying in the IAMNPF or 401K with match?**

A: IAM members have already voted to participate in the IAMNPF instead of the company-offered 401K match. If the company agrees in negotiations, TWU members will also have the same option. The best alternative is having a defined benefit plan with benefits comparable to what was taken from us in the bankruptcy process. If that cannot be accomplished we will try to provide as many alternatives as possible.

- 5. Q: Will TWU members receive credited service if TWU members choose to join the IAMNPF?**

A: Yes. The IAMNPF credits previous service in qualified plans toward vesting and early retirement options.

### **DUES**

- 1. Q: Will there be any type of additional dues that our members must pay for this new joint association?**

A: No.

- 2. Q: Could dues rates change as a result of members switching to a different labor partner after implementation of the Association?**

A: Yes. The TWU has a 2x the hourly rate dues structure. IAM dues vary and are set by the membership of each Local Lodge.

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- 3. Q: Will either union's members have to pay an additional cost for being a labor partner in the Association?**

A: No.