



April 23, 2020

I would like to inform the District 141 membership at United Airlines that management has advised the IAM that they are considering converting all full-time Airport Operations employees to part-time, which could amount up to a 50 percent pay cut, to save money.

IAM District 141, consequently, advised United management that we are prepared to sue them in federal court if they take this action because we believe that any type of furlough or reduction in pay and/or benefits before September 30, 2020 is a violation of the CARES Act. We will also fight United in the political and public arenas and let our elected officials and the public know that United Airlines management is accepting billions of dollars in tax payer funded bailout money with one hand and screwing its workforce with the other.

United applied for and received \$5 billion under the CARES Act: \$3.5 billion as a direct grant for payroll support, which does not need to be paid back and \$1.5 billion in very low interest loans. United also has access to an additional \$4.5 billion in federal loans. As a condition of taking the payroll support, the CARES Act mandates that workers' pay and benefits not be reduced, nor can workers be involuntarily laid-off before September 30, 2020.

The amount of direct grant aid and loans that United was eligible for was calculated based on payroll from April 1, 2019 to September 30, 2019. Over the last couple of months more than 20,000 United workers have taken voluntary leaves, which has drastically reduced payroll costs. You don't have to have a PHD in math to understand that something is very wrong here. Unbelievably, that is not enough for United management. They are considering cutting 13,000+ IAM-represented full-time workers' pay by up to 50 percent. This is absolutely unconscionable and cannot stand.

I very much understand that the airline industry is in a crisis. But, that's exactly why every AFL-CIO airline union, led by thousands of calls and activism by IAM members and other airline union members, non-represented airline workers and the airlines themselves fought for the CARES Act. We worked together to save airline workers' jobs, pay, benefits and the industry. Now, instead of following the rules of the CARES Act, United is engaging in shaky lawyering, looking for legal loopholes instead of exhibiting leadership and integrity.

We have, however, offered United management different ideas to increase, expand and enhance voluntary programs that would reduce United's costs during this very tough time. We will continue to work with them to find mutually agreeable solutions to help United Airlines.

But, if we are forced to have a fight, we WILL fight.

A handwritten signature in blue ink, appearing to read "Michael G. Klemm".

Michael G. Klemm  
President/Directing General Chairman  
IAMAW District 141