



AMFA/Southwest Airlines FMT Negotiations Update

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Participants for AMFA:

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Participants for Southwest Airlines:

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The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This report is the only official authorized written source of negotiating communications by the Committee.

We met with the Company in Dallas, Texas on Wednesday, August 17, 2016, for a scheduled full-day Facility Maintenance Technician (FMT) Section 6 direct bargaining session. After the Company directly polled our members on what they proposed during our last session, our Committee was prepared to present a proposal that would realistically resolve all the language and economic needs. We explained that the Company does not pay any group on the property average pay, and how could they propose a scale that pays less than other unskilled work groups on the property. We started by presenting the following proposals:

- Article 4: Classifications – Addition of Lead language and removal of Company language to state that Management can also perform Lead functions. The removal of the Company language does not change the practice currently used by management to lead and direct.
- Article 9: Seniority – Language that would allow an employee on furlough to remain on the seniority list for seven (7) years.
- Article 10: Filling of Vacancies – Language for a Lead selection process, this would be done with equal number of Management members and AMFA appointed members from the group. They will evaluate each candidate on skills as outlined in the language; if a tie results at the end of the process, seniority will prevail.
- Article 14: Wage Rules – Language that would provide for longevity allowance for years of service 12 through 18, at \$0.25 an hour for each year and for a total of \$1.75 an hour for years 15 and thereafter. Language for Leads to be paid 6% above step 12 pay in the scale. Language that would give individuals currently being paid over the proposed scale options for additional compensation.
- Article 15: Wages – A 12-step pay scale with starting pay at step one (1) being \$22.04 and pay at step 12 being \$30.00. Pay in steps two (2) through eleven (11) are equal amounts, \$0.72. Additional certificate or license pay of \$2.10 each for a maximum of two (2) for \$4.20. Increases to the scale of 3% a year over the five (5) year agreement.

The Company said they would go back and look at the economics of our proposal, and they then caucused.

When the Company returned, they stated they were good with our proposed language changes and presented a counter on economics as follows:

- Agreeable to a five (5) year agreement.
- Agreeable to a 12-step or year scale, which they explained was the same as Ramp.
- Increased certificate / license pay from \$1.75 to \$2.00 each for a maximum of \$4.00.
- Starting pay at step / year one (1) being \$21.09 and pay at step twelve (12) being \$26.47. Pay in step years two (2) through eleven (11) are equal amounts, \$0.49.
- Increases to the scale of 2.5% for first three (3) years and 3% in fourth year over the five (5) year agreement.
- Ratification bonus of 5% of 2015 401k eligible earnings plus an additional \$4000.00 as a training allowance. You may use this allowance to finance a training program to get a certificate/license, but will still be reimbursed for actual costs of training upon satisfactory completion.
- No to any longevity pay for first agreement.
- Employees above the proposed scale would receive a 1.5% bonus; this would not be an increase to their base pay.

The Company explained that they would recognize everyone as holding one certificate/license for one (1) year. This would bring the top of scale pay plus one certificate/license to \$28.47 an hour, which is equal to top of scale ramp agent.

Our Committee discussed with the Company a few additional ideas to bring the economics closer to what we believe our members would vote for, but there is no commitment to amend proposals at this time.

We have tentatively scheduled Wednesday, August 23, 2016, after Aircraft Maintenance Technicians (AMT) negotiations to again discuss the economic proposals presented. Wages are the last item left and, hopefully, we will make some more meaningful progress.

Sincerely,

Your Negotiating Committee