

AMFA/Southwest Airlines Contract Negotiations Update

Update #10

July 23, 2013

Participants for AMFA: Earl Clark – Region I Director Michael Nelson –Region II Director Bob Cramer – Airline Representative Local 4 Matt Townsend – Airline Representative Local 11 Mike Young – Airline Representative Local 32 Keith Waggoner- Airline Representative Local 11 (interim) Tucker Steele – Maintenance Technical Instructor

<u>Participants for Southwest Airlines:</u> Mike Ryan- VP, Labor Relations

Jime Ryan VY, Eastern Relations Jim Sokol – VP, Maintenance Operations Gerry Anderson- Sr Director, Labor Relations Michelle Jordan- Director, Labor Relations George Tompkins – Director, Eastern Region Mark Lyon – Sr. Manager, Labor Relations Sam Moser - Manager, Financial Planning Don Filippone – Sr Manager, Maintenance Training

The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This is the only official authorized source of the mechanic's negotiations communications by the Committee.

Now that the Airline Representatives have successfully resolved the maintenance staffing issue in PHL and SMF, the Negotiation Committee met with the Company on July 17 to resume formal negotiation talks. After taking time to establish where we left off in April, the Company wanted to revisit the Maintenance Technical Instructor's job classification language that we finalized on December 4, 2012. Although our committee thought we were finished with this discussion, internal adjustments recently made by the Company warranted them to present a new proposal that looked nothing like the document we negotiated previously. Although we understood the Company had to seek higher approval before we could TA the December 4 piece, we didn't expect to be presented with a completely new proposal. After working to understand the Company's document and the intent of the newly introduced concept of "collaboration," we went back to the December 4 document and tried to address the Company's concerns in an interest based manner. We will continue working on this issue in a future session.

July 18 was a scheduled half-day session which began with discussions on Articles 3 and 9. The Company did not request any changes to Article 3 and we were presented with some Article 9 changes mainly dealing with housekeeping and updates to reflect current practice. Our committee does have some proposed changes to Articles 3 and 9 and we will present them to the Company at our next session. We then revisited Article 8, Field Service. This was the point where proposed major changes to our current CBA came to light. Letter of Agreement #1 specifically outlines that "Southwest Airlines maintenance employees shall perform all international emergency field service where parts are required." The Company offered an arrangement where they had unilateral control over when to send Southwest Airlines maintenance employees on international emergency field service trips. In exchange, no changes would be sought in regards to domestic field service, even to offer pay for the entire time an employee is away on the trip (with the caveat that we will be discussing a 16 hour duty limit in the future). We explained to the Company that giving them unilateral control over international field service would be equivalent to expanding our outsourcing and that our group has the right to grow with the Company internationally. The Company was told that we could not agree to this arrangement. We requested that we continue to work on addressing their specific concerns and work together to address items that are problematic to the Company. We will continue working on Article 8 prior to and during our next session.

The Negotiating Committee continues to be committed to making a concerted effort to reach an agreement that addresses our members', and the Company's, concerns.

Sincerely,

Your Negotiating Committee Next Mechanic Negotiations: August 6, 7, 8

SAFETY IN THE AIR BEGINS WITH QUALITY MAINTENANCE ON THE GROUND