

## **afa's LATEST WINDBAGGERY**

The afa gaggle is trying to make a big deal out of the settlement American offered its F/As, saying in a recent e-mail “*here is some ‘stuff’ about the new American Flight Attendant contract...in case DAL management starts to ‘spin’ out of control how the lousy unions can’t do a thing for you.*” The e-mail goes on to quote APFA president John Ward who explains the main features of the offer and summarizes “*These increases will make the American Flight Attendants the top paid flight attendants in the industry on January 1<sup>st</sup>, 2002.*” That’s impressive, but as Mr. Ward acknowledges, not as much as we’re currently being paid. How much more will they make next year? We don’t have the contract language yet, but based upon the information provided, it looks as if they will barely squeak by us. (With Delta’s commitment to keep our compensation as high or higher than the rest of the industry, chances are slim that American F/As will actually receive industry-leading compensation come January 1<sup>st</sup>.) Left unsaid is the fact that **American F/As owe this generous offer to Delta**. In negotiations, the APFA cited our compensation, not the unions’, as industry-leading. Remember this from Vicious e-Truths #7?

Dallas, June 6 (Reuters) – “American Airlines has said it is offering an industry-leading contract, but the union has said **the proposed base pay falls short of what Delta Air Lines pays its flight attendants...**” How far short? “*Union president John Ward last week said differences remain on salary, minimum pay and health and life insurance with a gap of about \$200 million.*”

The afa, of course, maintains that everything considered, our pay is not industry-leading (they rank us 4<sup>th</sup>). That may be deluding some gullible Delta F/As, but the APFA obviously knows better. So do the Teamsters. When they negotiated for NW F/As they also cited our pay as industry-leading.

**Why is American’s offer so generous? It had to be to catch up with what Delta is paying us.** When the APFA established the obvious, namely that “industry-leading” meant Delta, rather than unionized carriers, American had to fork out another \$200 million or so to make good its claim of offering industry-leading compensation. We’re sure American was thrilled after losing \$507 million in the second quarter.

Predictably, the afa gaggle is now bellowing that we could get a comparable agreement with the afa. Unable to cite an industry-leading contract the afa itself has negotiated, the afa gaggle is trying to hitch-hike on a settlement the APFA reached. As we pointed out in *Vicious Truths* #73, they tried the same tactic in May, implying they could get settlements comparable to ALPA. The afa has to cite other unions’ accomplishments because it has never negotiated anything nearly as substantial as either of these agreements and, by comparison, it has negotiated agreements at United and US Airways that are abysmal. Incidentally, we find it amusing that the afa is trying to ride the APFA’s coat-tails when the APFA was formed by former afa members who were so disenchanted with the afa that they bolted and formed their own union.

American F/As have Delta to thank for the size of the raise they are receiving and, since United’s pay is to be equal to the industry average for the next five years, they will have both American and Delta to thank for raising the industry average and therefore their pay.

## **US AIRWAYS F/As LIKELY TO TAKE HUGE PAY CUTS**

Following the death of the United/US Airways merger, the latter’s management has announced that it will keep the airline in tact rather than break it up and sell off its assets. The main reasons cited for its perilous financial condition are the economic slowdown (the “recession” in candid circles), high labor costs, escalating fuel costs, and restrictive work rules. US Airways management cannot do anything about the economy or fuel costs so in order to survive it’ll undoubtedly have to go to the unions and negotiate substantial pay cuts and eliminate restrictive work rules. The latter will further reduce F/A income. The unions will agree – there have no alternative. Otherwise the airline will have to shut down and employees will lose their jobs at one of the worst times since the depression (unemployment claims for the week ending July 7 rose to 444,000, the four week running average is well over 400,000, and well over 3 million people are looking for jobs!). The afa, which is already in shaky financial condition simply cannot afford to lose thousands of dues payers and, as previously mentioned, it has nothing to lose by agreeing to pay cuts, etc., because dues remain the same even if F/A compensation nosedives.