



The Update Message from the International Association of Machinists and Aerospace Workers representing Flight Attendants in the 2339 Local Lodges

**Friday, May 21, 2010**

**Flight Attendant Merger Matters** – The IAM has created a special flight attendant merger website, [www.FAmergermatters.org](http://www.FAmergermatters.org). This site will provide the latest merger-related updates as the proposed merger between Continental and United moves forward. You can print information about the merger, submit comments and sign up to automatically receive emails updates when new information is added to the site. We encourage all flight attendants to visit this site often.

**United, Continental Meet With Machinists Union** – IAM leaders met this week in Washington, D.C. with senior management representatives from Continental Airlines and United Airlines to discuss their proposed merger's potential impact on pensions, job security and union representation for 26,000 IAM members at both carriers.

Taking part in the meeting were Transportation GVP Robert Roach, Jr., District 141 President Rich Delaney, District 142 President Tom Higginbotham, and staff from the IAM's transportation, legal and strategic resources departments.

The airlines made a joint presentation providing general details that are already publicly available, including their aggressive timeline of events that anticipates operational integration in the first half of 2012. The airlines, however, admitted that the timeline could fluctuate and was not set in stone.

The carriers alleged they do not expect major reductions in front-line employees as a result of the merger, but the IAM insisted that jobs needed to be guaranteed within collective bargaining agreements. Another necessity for job security is a viable and competitive employer, and the IAM needs to be convinced that the business plan for a merged carrier will be successful. The IAM will closely monitor the new carrier's business plan to determine if the merger would create an airline that is too big and unmanageable to succeed.

The Machinists Union made it clear that this merger cannot result in the loss of anyone's, seniority, wages or defined benefit pensions. A combined carrier must offer employees more stability and opportunity than two independent airlines.

The Machinists Union pressed for specific details about how the two airlines intend to integrate pensions at a combined carrier. One particular concern was United's termination of their company-sponsored pension plans and their Pension benefit Guaranty Corporation agreement that prohibits United from sponsoring a single-employer pension plan until 2015.

Continental flight attendants and ground employees participate in Continental's company-sponsored defined benefit pension plan, while IAM-represented United employees earn benefits in the IAM National Pension Plan. United's flight attendants do not have a defined benefit pension plan.

The carriers did not have an answer when asked if all employees would have defined benefit pension plans following a merger. The carriers admitted that harmonizing pensions was a complex issue, and although they had given it much thought, they did not know how it would be resolved at this time. They indicated that they would be looking toward the unions that obtain representation rights for solutions to the pension issue.

The Machinists Union was the only union to successfully negotiate new defined benefit pension plans for United employees in bankruptcy, and that option will be available for IAM-represented employees in negotiations after the merger is completed. The IAM believes all employees deserve traditional pension plans.

The airlines advised that they were creating integration committees, but on the IAM's insistence agreed that such committees will have no authority over matters that were germane to collective bargaining, such as combining the workforce, integrating seniority, harmonizing pensions, or addressing wage, benefit or work rule disparities. The carriers agreed that such issues cannot be addressed until the National Mediation Board rules that the two airlines are operating as a single carrier and union representation issues are resolved.

The Machinists Union advised the carriers that they must work hard to blend the two airlines' differing corporate cultures, and the best way to do that is by working with the IAM, which has decades-long of relationships with each carrier.

While the airlines did not provide immediate answers to the IAM's questions, the meeting did result in establishing a communications structure between the IAM and the two companies to deal with merger-related issues. The companies agreed to discuss the issues raised by the IAM and respond when they have answers available.

**Continental Negotiation Update** – The Negotiating Committee and the Company met for negotiations May 17, through May 21, 2010.

These meetings were the first since the announced proposed merger between CAL and UAL. Your committee took this opportunity to communicate to the Company that the proposed merger would not deter us from achieving the goals set by our membership.

The Committee presented several proposals to the Company and had candid discussions about members' expectations. The Company requested additional time to review the sections presented.

While both the negotiation and merger processes are lengthy, your Committee is determined to produce the very best agreement for the members.

There will always be questions; not immediate answers - as more information becomes available, the IAM stands ready to ensure all members' interests are protected throughout the merger process.

While there is significant speculation on social networking sites and elsewhere, the Union encourages all members to access the Union merger website at [www.go142.org](http://www.go142.org) for accurate information.

**ExpressJet Flight Attendants** – There has been a recent increase in reports from flight attendants that the Scheduling Department is stating that the "The Union agreed to....." whatever violation of the Collective Bargaining Agreement (CBA) is involved. We want to stress that anytime the union enters into an agreement, supplementing or replacing anything in the contract, the flight attendant group is notified. We do not enter into agreements without advising the membership, or if applicable, having the membership vote. We have addressed this issue with the company, and we urge flight attendants to politely advise any company representative who tells them that the union has agreed to conditions outside of the CBA that simply is not the case and then also advise your union representatives accordingly.

Please remember that if you have a call out line, you are not required to answer the telephone outside of your call out period. Please review Section 5.T.4.b.1 of the contract.

The contract proposal link on the District Lodge website will close May 31st. Please make every effort to get your proposals submitted before the deadline.

We'd like to remind flight attendants who are denied boarding when deadheading home from UAX flying to contact their grievance representatives to see if a grievance is applicable in their particular case.

We **would like to encourage all members to attend your Local Lodge business meeting.** Each Local Lodge must have a quorum to conduct business. The following is a schedule for upcoming meetings:

**Newark:** Tuesday, June 8, 2010, 3:00 p.m. at the Renaissance Newark Airport Hotel

**Cleveland:** Thursday, June 10, 2010, 1:00 p.m. at 669 North Rocky River Drive

**Houston:** Tuesday, June 15, 2010, 1:00 p.m. at Houston Airport Marriott Hotel

**Guam:** Wednesday, June 16, 2010, 4:00 p.m. at the Airport Conference Room