



# THE X-RAY

A LOOK INSIDE YOUR ALPA ARW NEGOTIATIONS

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## Are You Looking at the Trees, or the Whole Forest?

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Our union is a bottom-up organization. This is why the entire pilot group gets to decide whether a contract is ratified or not. The mission of the MEC, and especially the Negotiating Committee, is to get the best deal possible for the group and then present it to the membership for their decision. The responsibility of the membership is to understand the TA in its entirety, make an informed voting decision based on what is best for their individual situation, and then accept the consequences - good or bad - that come with whatever decision they make.

As you continue to review the continuous flow of information coming out about our Tentative Agreement, it may be helpful to talk about the scenarios we would likely see if the TA passes or is rejected. It is important to provide all the information so you can make your best decision and strategy going forward.

With any Tentative Agreement, it is easy to page through the changes and focus in on individual items that we think should be tweaked, changed, or added. Every detail is important, but the overwhelming consideration should be the total value of the contract. It's

the total value of a CBA, not the individual sections, which determine whether a TA is or is not concessionary. To focus on one or two objectionable items at the expense of all the positive others risks missing the forest for the trees.

Not having the advantage of being at the bargaining table, it's understandable to ask why the negotiators did what they did - why some sections were improved while others remained the same. This is why you shortly will see a robust roadshow schedule that will afford you numerous opportunities to talk with your union volunteers directly.

Often times we think of negotiations as demands; that is to say, we think if we just keep asking for something long enough eventually the company will simply concede. Unfortunately the reality is far different.

With the restrictions of the Railway Labor Act, we are not able to simply unwind agreed-to sections. This also protects us from the company doing the same through the bargaining process. Our contract sections were agreed to over a spectrum of economic cycles, although the majority of the economic sections were completed over the last 90 days. Our negotiating team was able to stay remarkably determined and steadfast in sticking with the bargaining direction given by our pilots.

Emotionally it is easy to view certain sections and measure them against this carrier or that carrier. To do so is missing an important consideration, the whole contract as it relates to us. This is our contract, on our property, for us to live under.

With these ideas in mind, I will discuss the two scenarios. If the pilot group ratifies the TA, the contract would be signed soon after by the CEO and by the President of ALPA. An implementation agreement would be signed, and a team of volunteers would assist with that implementation. Most items would take effect immediately and the rest would be integrated quickly into the next rounds of bidding or applicable deadlines.

One advantage of ratification is that our timeline and our costs would be known, both for ALPA and for the company. We could take advantage of the improvements in the contract right away, and since we could open talks on a new contract in 18-21 months our negotiators could soon begin working on updated goals. We would have new opportunities to bargain, in what is likely to be an even stronger bargaining environment - and hence more leverage - than we currently have.

In the second scenario, if the pilot group rejects the TA there is much more uncertainty. We have to look at past history at other properties to determine the probable outcome. Because we would remain in mediation, the National Mediation Board would likely suspend contract talks for 6 - 12 months. The pilot group would need to be polled again to determine new bargaining priorities and give new direction to our negotiators.

Whenever the NMB reopens negotiations, frequently the parties go back to square one and have to renegotiate large pieces of the contract from scratch. It does not automatically become a "Chinese Menu" situation where the parties can go back and cherry-pick the individual items they want to change and leave everything else alone. Both sides get a new bite of the apple, and while that means we could take another crack at our most-wanted wish list items, so could the company. Since most of their wants were concessionary, we would likely have to fight those battles all over again just to preserve the contract we're currently

working under.

Some may claim that we could petition the NMB to release us from mediation, begin a 30-day cooling-off period, and use the pressure of a potential strike to win improvements from the company. Since our position with the NMB would probably be strained after a rejected TA, this is highly unlikely. This is especially true since the NMB has made it abundantly clear it is extremely reluctant to grant any carrier self-help relief, and certainly not a carrier like ours, whose pilot contract is at or near the top of every category for their segment.

It's not our intent to present these two scenarios in order to persuade you in one direction. But they are the realities your negotiators and MEC had to weigh when they decided to bring the TA to you. This Tentative Agreement is a representation of their acknowledgement that these improvements are the attainable goals in this round of bargaining given the environment, economics over the bargaining cycle and the timeline.

It's understandable to want to go back and recalibrate particular contract sections that don't hold up as well as others do. Unfortunately, this would leave us in endless bargaining. Some ALPA groups have made the decision in recent years to ratify contracts with moderate gains but also a very short duration so that they can quickly get back to the table again and bargain from a stronger position a year or two down the line. Others, particularly those with strong flow agreements or preferential hiring language that ensures career progression to the mainline, have chosen longer-duration contracts to lock in that language for as long as possible. Which strategy is appropriate for the ARW group is up to you.

We all feel the company should add more value to our CBA. However, this emotion must be tempered with a bargaining strategy that will produce those results. Your negotiators are offering a TA with a strategic duration that moves the ball forward in significant areas and puts us back at the table.

The time is now to take action on this agreement as a whole. Understand it, consider all the information and vote. But look at the whole forest - not just one or two trees.