



# THE X-RAY

A LOOK INSIDE YOUR ALPA ARW NEGOTIATIONS

October 2, 2015

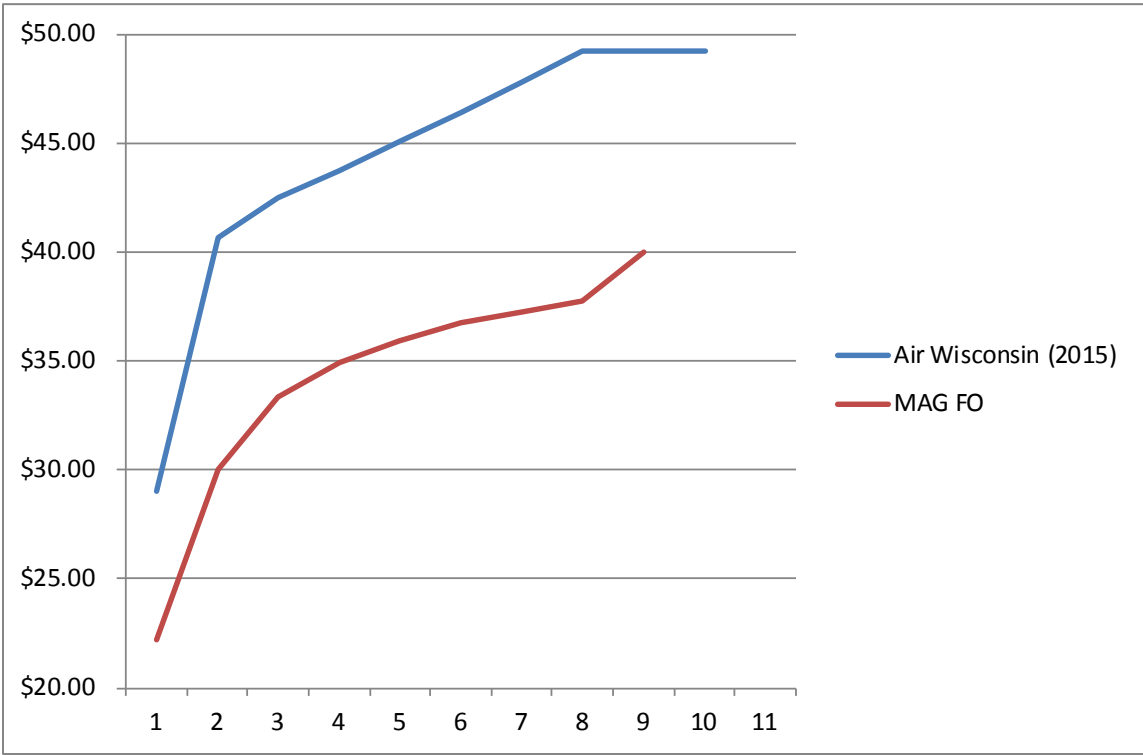
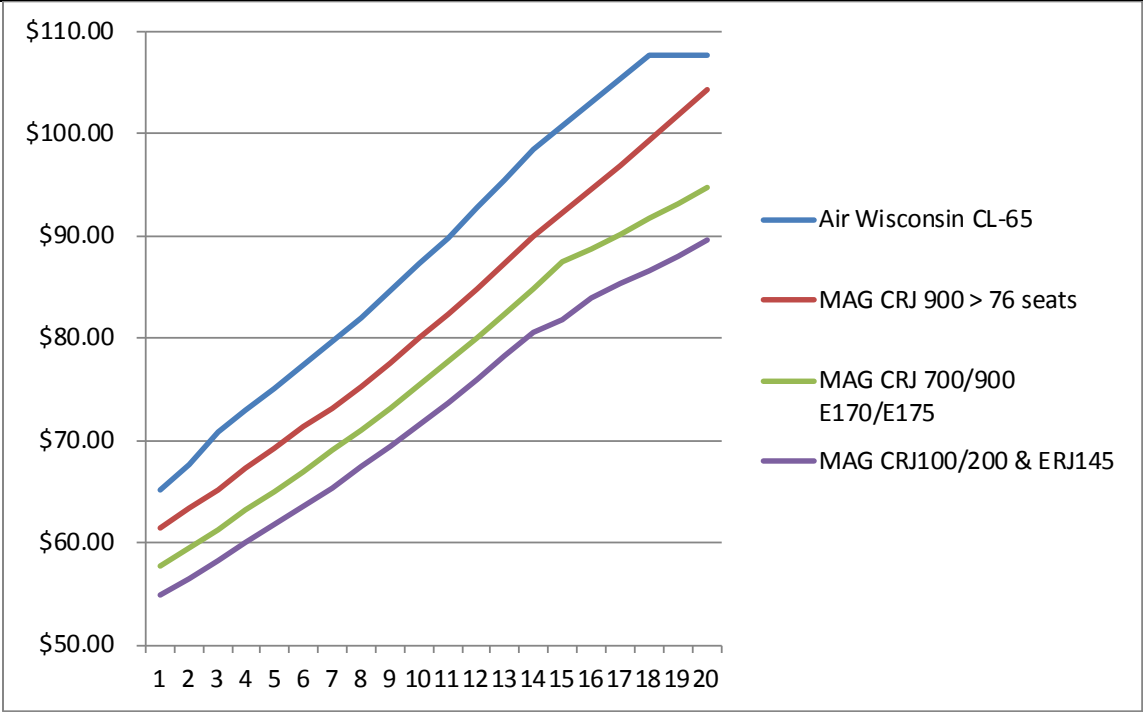
## Mesa's Rejected TA

You may have seen today that the Mesa Pilots overwhelmingly rejected their recent TA. We won't belabor the point in this article, but the Mesa TA was poor when compared to our TA and to our current contract. Out of respect for our fellow pilot groups, we have avoided comparing our TA to other TAs out there until voting has been completed, but now that the MAG pilots have spoken here are a few comparative items from their rejected TA.

Mesa's TA was lacking in many areas, including no rigs and no minimum pay per duty period. Many times though, contracts that lack those items make it up in wages or elsewhere. This was not the case in the rejected Mesa TA. You can see that in every pay year, in all aircraft and in both seats the Air Wisconsin CL-65 rates far outstrip the Mesa rates. The bottom of the pay scale for our 50-seat Captains exceeds the bottom rate on the Mesa >76 seats rate by \$3.71. The top of our pay scale at 18 years exceeds the top of the >76 seat pay scale by \$8.32.

The First Officer pay scale is also extremely low. First Officers at Mesa make the same amount regardless of aircraft. Our second year pay is HIGHER than the top of the Mesa pay scale at year nine. You will notice on the Mesa First Officer pay scale a small rise at year nine to \$40/hour that doesn't follow the rest of the curve. To us it appears that that rate was created so that management could show some FOs could make \$40/hour.

### Wages



So we mentioned that many carriers make up for poor work rules with rates, which this rejected TA did not do. This chart attempts to compare various work rules and protections when compared to our TA.

	<b>ARW TA</b>	<b>Rejected Mesa TA</b>
<i>Furlough Protection</i>	All pilots at DOS	No pilots
<i>Minimum Number of Captain Positions</i>	305	0
<i>Trip Rig</i>	4 to 1	None
<i>Duty Rig</i>	2 to 1	None
<i>Min Day</i>	3	None
<i>Deadhead Pay</i>	100%	50%
<i>Premium Share</i>	27%	No limit
<i>Limits on Changes to Insurance</i>	Yes	None
<i>Premium Increase Cap</i>	15%	None
<i>Administrative Cost Cap</i>	15%	None
<i>401(k) contribution</i>	8%	3%
<i>Minimum Days Off</i>	12	11

Not only did that TA lack comparative provisions, it was also lacking in comparative language. The "Insurance and Benefits" section of the Mesa TA is one page. Our Insurance Benefits and Retirement sections are 18 pages in length. In fact our TA is 40 percent longer than their rejected TA. Size doesn't necessarily matter but in the case of contracts, particularly with a management team like ours, more language is certainly better.

The stark differences between the rejected Mesa TA and our TA, or even our current pre-TA agreement, show what it really means to be at the top of the industry. They were struggling to win only limited improvements that, even if ratified, would still have been far below what we already have. Our TA builds on a strong base and makes it even stronger, with no concessions.

Time will tell whether the rejection of their TA was the right choice for the Mesa pilots. It could be likely that they will be back in negotiations for an extended period. Whether they can come back with a better deal remains to be seen, but today's vote definitely sends the message that a bottom tier pilot contract won't fly in today's fee-for-departure environment.