

Air Transport District 143

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International Association of Machinists and Aerospace Workers AFL-CIO

October 2009

To: IAM COPS Members at Alaska Airlines ASA CONTRACT EXTENSION PROPOSAL

Dear Sisters and Brothers:

Enclosed are the terms of the Alaska Airlines contract extension proposal for your review.

Your negotiating committee has taken a "no-vote" position on the proposed extension. Along with the enclosed contract extension proposal, your elected negotiating committee has provided a copy of their reasons for their recommendation for your review.

Just as with any ratification vote, many questions are generated by the membership. That is why it is important for you to attend scheduled ratification meetings before casting your vote.

- ☆ Your elected negotiators will be present at your location to explain the contract extension proposal and address any concerns you may have so that when you vote you may make an informed decision.
- ☆ Additionally, your negotiating committee has recommended that District 143 seek special dispensation so that you may vote in your work location on the same day as the scheduled informational meetings.
- ☆ You can visit www.iam143.org to see what day your location will conduct informational meetings and vote.

Although how you vote will be a personal decision, the results will have a widespread impact for all of our sisters and brothers. Your negotiating committee urges you to review the enclosed documents, attend informational meetings to have your questions answered and make an informed decision; most importantly, exercise your right to vote.

Your negotiating committee thanks the entire membership for their continued support.

Fraternally yours,

A handwritten signature in black ink, appearing to read "Stephen M. Gordon".

Stephen M. Gordon
President/Directing General Chair

A handwritten signature in black ink, appearing to read "Carmencita Alcid".

Carmencita Alcid

A handwritten signature in black ink, appearing to read "Bea Knott".

Bea Knott

A handwritten signature in black ink, appearing to read "Kiana Peacock".

Kiana Peacock

A handwritten signature in black ink, appearing to read "Pat Sherman".

Pat Sherman

jls/opeiu #12

**IAMAW Clerical Office and Passenger Service Negotiating Committee's
Recommendation Against Ratification
of Alaska Airlines Company Proposal for Contract Extension**

On the reverse of this "Recommendation" is a copy of the Company's Proposal (in its entirety) for Contract Extension. Your negotiators recommend voting No for the following reasons:

1. Article 27 (ASA proposal extend 2 years to July 19, 2012)

- Circumvents membership rights to full negotiations and their rights to submit contract changes via proposals.
- Contract provides for entire contract and working conditions to be negotiated beginning January 19, 2010, these negotiations to be built on membership's proposals

2. Article 26 (ASA proposal 1.5% wage increase effective 6/1/10, 1.5% wage increase effective 6/1/11)

- The wage increases would lock us into a maximum 3% increase over the next 3 years or more, depending on the length of negotiations that would not begin until July 2012.
- The first wage increase of 1.5% and the subsequent increase of 1.5% will not cover the escalating costs of health coverage and costs of living.
- Alaska Airlines Company PBP documents reflect a forecasted AAG profit of 140%.

3. Article 19 (ASA proposal Performance Based Pay(PBP) in lieu of Profit sharing)

- PBP is determined solely by Board of Directors (BOD) with input from the executive committee and Alaska's compensation department. No input from any Union bargaining unit on the property. The Company's plan documents specifically give sole jurisdiction to the BOD. The BOD has the ability to change the framework of the Profit sharing plan on an annual basis.
- Negotiated wages are a guarantee. Neither the PBP nor current profit sharing is guaranteed.

4. Letter of Agreement #12-Job Security (ASA proposal extend LTA #12 to July 19, 2012)

- No opportunity to:
 - a. Expand job security to define and protect core work
 - b. Discuss future station closures; i.e., Reno/Horizon
- Merger, purchase or acquisition of another company by AAG group
 - a. No opportunity to expand or secure language
- Merger, purchase or acquisition of Alaska Airlines by another company
 - a. No opportunity to expand or secure language

In order to provide safe air transportation, the efficiency of the operation and the continuation of employment under conditions of reasonable hours, proper compensation and reasonable working conditions, we must be able to negotiate beginning January 19, 2010.

Therefore your negotiators strongly recommend a "No" vote to the Company's extension proposal.

**Alaska Airlines Company Proposal for
COPS Contract Extension**

March 10, 2009

1. Article 27 (Effective Date & Duration)

Extend 2 years (to July 19, 2012)

2. Article 19 (Wage Rules)

Effective 6/1/10: add 1.5% to all steps

Effective 6/1/11: add 1.5% to all steps

3. Article 19 Paragraph Q (Profit Sharing)

- a. Replace the current company profit sharing plan with the company's Performance Based Pay (PBP) plan for the calendar/plan years of 2009 and thereafter.

- b. Retroactive lump sum payout: at DOS active COPS employees of record as of 12/31/08 will receive a lump sum bonus equal to the normal payout for the 2008 PBP less any amount received for 2008 Profit Sharing.

4. Letter of Agreement #12 (Job Security)

Remains as is, extended 2 years (to July 19, 2012)