

MERGER



WATCH

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Northwest-Delta Propose Merger

Northwest Airlines and Delta Air Lines have announced plans to merge, creating the world's largest airline.

"Airline industry consolidation will come at tremendous public expense," said IAM General Vice President Robert Roach, Jr. "The Machinists Union's Merger Committee has examined the Northwest-Delta merger proposal, and we firmly believe that this merger is not in the best interest of passengers, employees and the communities these airlines currently serve."

"Northwest Airlines and Delta Air Lines seeking to merge is just the latest chapter in the crisis-filled history of our beleaguered industry," said District 143 President Steve Gordon. "Airline employees are right to ask if this is a recipe for failure on a grand scale. I would not blame any airline employee who sees this as nothing more than a power play by airline executives at the expense of employees and passengers."

Although Delta and Northwest may have an agreement, the merger's completion is far from certain. Before airlines can

complete a merger they must first be reviewed by the Department of Transportation (DOT) and approved by the Department of Justice (DOJ). When United Airlines and US Airways announced a merger in 2000 it took 18 months before the DOJ rejected the merger.

The Northwest-Delta action may prompt additional mergers. It is possible that some combination of Continental, United, American and others may also be attempted.

"Continental's IAM-represented Flight Attendants are currently the highest paid in the industry," said District 142 President Tom Higginbotham. "Because of strong IAM negotiators, Continental Flight Attendants are the airline's only employee group who did not take a base wage reduction in the company's recent restructuring. There is a lot at risk, but the IAM is prepared."

"A merger could possibly lead to a loss of union representation entirely," said District 141 President Randy Canale. "This occurred when American Airlines bought Trans World Airlines (TWA). TWA's IAM-represented Customer Service and Reservation employees were combined with their non-union counterparts at American, losing

all union protection."

"We will need the solidarity of the membership if we are to have any success protecting our jobs, our contracts and our pensions," said Gordon.

The IAM has been meeting with key legislators for months to raise opposition to massive industry consolidation. Those efforts will continue and intensify.

"We will do everything legally possible to oppose any merger that threatens our members' jobs, labor contracts, pensions, seniority and their right to union representation."

Take Action to Stop Senseless Mergers

The IAM needs your help to stop mergers that will only benefit a select few of privileges executives. Tell your elected officials to oppose the Northwest-Delta merger and the other equally detrimental mergers that may follow. Visit www.capwiz.com/iamaw/home to learn how.

You can also make your opinions heard by taking the IAM's Airline Merger Survey at www.goiam.org/transportation.