

What's Wrong With This Picture

A new Government Accountability Office report shows that 10 large companies dumped their underfunded pension plans into the laps of taxpayers, even as executives received huge retirement packages. Reliance Group Insurance underfunded its pension by \$121 million then dumped it onto the U.S. Government. They then gave their top management \$70 million in salary, bonuses, benefits and retirement. It is a trend that is all too familiar today.

It is a trend that is evident in the airline industry as well. Seekingalpha.com, a website for investors, reports that the remaining 5 legacy airlines lost a total of \$4.6 billion in 2008. The top 25 executives collectively received \$90 million in compensation, treating the airlines as their personal ATM machines.

Delta Air Lines net loss for 2008 was \$503 million, excluding special items. Of the six largest airlines, Delta had the highest executive compensation ratio of total operating revenue. They were second, behind US Airways, for executive compensation ratio of total employee wages and benefits.

Quality at Delta is slipping at the same time. USA Today has reported the results of the well respected Zagat Survey for 2009. Out of a possible 30 points, Delta scored 11 for customer satisfaction. Midwest Airlines scored 21 for first place. Tim Zagat, CEO of Zagat Survey, says, "The bad news is that the major domestic airlines are becoming more and more like Greyhound busses in the sky." We can see this process unfolding at Delta.

Revolving Door Employment Policies

An important part of this process is the implementation of "revolving door" employment policies by Delta. By bringing in more and more Ready Reserve, Delta makes this a less and less desirable job. If Delta has a work force that quits before it gets to top wages, that never reaches full vacation accruals and never retires, it keeps labor costs extremely low at the expense of their workers. This also has a direct effect on customer service. We believe workers that are well paid and invested in their jobs provide the best customer service. Southwest is a good example of the excellent customer service that comes with an industry leading union contract.

Winning the representation election is key to our ability to reverse these trends. Without a union we will not be able to stop Walmartization at Delta or in our industry. With a union we get to negotiate a new contract and begin the process of making this a career job again.

Local 1833 Committee Appointments – If you are interested in serving on a local union committee, you must submit your name to Local 1833 by December 9 at 3PM. Available committees are – Budget, Education, Community Services, Communications, Good and Welfare, Human Rights, Legislative, Organizing, By Laws, Health and Safety, and Women's Committee. Terms for committee members are one year.

Union Meeting – Regular day shift meeting will be held at the Bloomington Eagles Club on Thursday, December 10 at 4PM. Updates on NMB rule change and Local 1833 Committee appointments.