

## Insourcing

Delta announced last week their plans to insource ramp work at 17 stations where vendors had been performing that work. Fifty percent of the new positions will go to PMDL employees and the other fifty percent will go to PMNW employees. It's good news and bad news. Good news because it will give some part time employees the chance for full time work. For others it will mean the chance to move closer to family.

But it is bad news as well. The reason why the work is being insourced is because it is now cheaper than employing an outside vendor to do the work.

This was outlined in 2008 by former Northwest Vice President of Ground Operation, Crystal Knotek at a Town Hall meeting in MSP. Knotek was asked why Delta was bringing back ramp work at several stations when they had had a policy of outsourcing the ramp at most stations. She said, **“This is being done because it is actually cheaper to have Delta employees do this work than to use a vendor.”**

Many of the newly opened positions on the ramp are being filled or will be filled with Ready Reserve. With no benefits, no seniority, no scheduled raises and no vacation, sick or OJI accruals, this is the ultimate in cheap labor.

The fight now will be to make sure these jobs are not second class jobs. The only difference between full time and part, between permanent and temporary should be the number of hours worked. But the rising tide of using disposable workers can only be stopped by union workers with a union contract. Otherwise we will simply be at the whim of the Corporate Leadership Team.

## Executive Compensation

### Why Do We Care

“Corporate pay packages have gotten out of control. It has become a salary derby out there.” Former Delta CEO, Gerald Grinstein in 2007 after refusing post bankruptcy bonuses. USAToday

We don't begrudge Delta executives being well compensated, especially if that compensation comes with greatly improved service or financial health. What is clear from the figures displayed below is that compensation increases for top Delta executives had nothing to do with service or financial health. The CLT simply used their employees as an ATM machine. Bankruptcy was used as a business tool at both Northwest and Delta to reach into the pockets of employees and take out millions. This was lost vacation, lower wages, slashed benefits. That is why we care.

### 2005

Gerald Grinstein - CEO-\$382,207

### 2006

Gerald Grinstein – CEO-\$343,402

James Whitehurst – COO-\$417,370

Ed Bastian – CFO-\$443,369

Glen Hauenstein - EVP-\$388,675

Joseph Kolshak – EVP-\$386,675

Total for 2006 - \$1,979,698

### 2007

Richard Anderson – CEO-\$11,296,759

Ed Bastian – President & CFO-\$10,298,340

Mike Campbell – EVP-\$6,380,261

Glen Hauenstein – EVP-\$7,333,300

Lee Macenczak – EVP-\$5,939,836

Total for 2007 - \$41,248,496

2008 was similar to 2007.

There were large increases well down into the executive ranks.

All figures from projects.ajc.com.