

# Continental Flight Attendants Win Industry Leading Contract



*A new contract gives Houston-based Flight Attendants, from left, Mannie Kundrat, Omar Diaz, Lucy Nazarian and 9,000 others at Continental Airlines the industry's best wages, benefits and work rules.*

The 9,000 IAM Flight Attendants at Continental Airlines can hold their heads high as the best paid cabin crew members in North America, following the negotiation and ratification of their latest contract.

"It's truly a benchmark agreement," said District 141 President William O'Driscoll. "In an industry where employees have seen jobs destroyed, wages cut and pensions termi-

nated, this negotiating team achieved significant improvements in nearly every area, including job security."

In addition to industry-leading pay rates, the four-year contract ensures that IAM-represented Flight Attendants will not be furloughed during the life of the agreement and prevents the overseas outsourcing of Flight Attendant jobs.

Among the so-called legacy

carriers, United Airlines, Northwest Airlines, Delta and American Airlines now employ hundreds of foreign national as Flight Attendants who are based outside the U.S. and not subject to collective bargaining agreements.

The new IAM contract at Continental is the only airline collective bargaining agreement that specifically prohibits the hiring of foreign nationals to serve as Flight Attendants on the carrier's international routes.

The landmark agreement also provides Flight Attendants with the option to participate in the fully-funded IAM National Pension Plan (NPP). Tens of thousands of airline employees in the U.S. have faced the loss of defined benefit pensions as carrier after carrier turned to the bankruptcy court to default on pension funding obligations.

"A secure pension should be the inalienable right of every employee who ever deferred wages or benefits over the years to fund their retirement," said Transportation General Vice President Robert Roach, Jr. "By providing Flight Attendants at Continental with the NPP option, the IAM has delivered on our promise to protect their retirement benefits in spite of the industry-wide assault on pension benefits."



*The recent merger of US Airways and America West brings new challenges for Fleet Service and Mechanic & Related workers at the combined airline.*

After enduring two bankruptcies and the near termination of their contracts, IAM members at US Airways now face the possibility of losing their pension plan following the merger of US Airways and America West.

## **Merger Poses New Pension Threat at US Airways**

The National Mediation Board (NMB) is poised to decide if sufficient interest exists for a representational election to determine who will represent Mechanic & Related and Fleet Service employees at the combined carrier.

NMB rules call for a high participation threshold in such elections. If less than 50 percent of all employees in the combined group vote in the election, the board would declare insufficient participation and no union would represent employees at the new airline.

The board's long-standing

policy to include furloughed employees, many who have moved or lost contact with their former employer, makes the participation threshold more difficult to achieve.

If the NMB calls for an election, it will be critical for all active and furloughed US Airways employees to vote. If the 50 percent (plus 1) threshold were not achieved, the board would decertify the union at US Airways. Without a contract, the carrier would no longer be under any obligation to make pension contributions on behalf of employees.

## **Bush Budget Starves AMTRAK**

The \$900 million that President Bush proposes spending on Amtrak in fiscal year 2007 may be \$900 million more than he proposed spending in 2006, but it's still only half of what tiny Estonia spends per capita on its railroads and a fraction of what's needed to provide Americans with safe, reliable and efficient rail travel.

The President and his allies in Congress backed away from earlier threats to shut down the nation's passenger rail network, however, the budget they propose

would force states that are drowning in red ink to absorb more of Amtrak's operating expenses or risk losing their rail service altogether.

"The reality of this budget is that Amtrak is being starved to death on the installment plan," said Transportation GVP Robert Roach, Jr.

"Congress will need to step up as they did last year and restore the funding needed to save passenger rail travel in



*More than 20,000 jobs could be lost if the Bush Administration succeeds in cutting off funds for the national passenger rail service.*

this country."

A shutdown of Amtrak would idle 20,000 rail workers and leave up to 25 million riders stranded annually.