

Mechanics at United Continental reject sellout contract

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Mechanics at United Continental Holdings voted by a 93 percent margin Tuesday to reject a tentative contract agreement between the Teamsters and airline management. The workers also gave strike authorization. The overwhelming vote reflects growing militancy among airline workers, whose wages have been suppressed despite massive airline profits.

No labor agreement with mechanics has been signed since the merger of United and Continental in 2010. The proposed deal would have given the company's 9,000 mechanics and related maintenance workers a 25 percent pay increase and a \$9,000 signing bonus. The raise would have been offset by increased medical costs, a reduction in profit sharing and changes in work rules that would result in less overtime pay.

Further, the new agreement would establish a "B" scale of wages for new hires, who would earn drastically less than senior employees. According to a Teamster spokesman the lower starting wage would be "in the low \$20s per hour" compared to the top tier of \$46.15 per hour. "B" scale workers would also get less vacation and sick leave than older veterans. The pay reduction would extend over eight-and-a-half years.

In response to the massive rank-and-file rejection Teamster President James Hoffa lamely responded, "At a time when United Airlines is massively profitable, it is clear that mechanics deserve a better offer from the company." The airline reported a \$7.3 billion profit in 2015.

United CEO Oscar Munoz said he was "disappointed" with the vote and indicated talks would continue and he would personally meet with union officials.

The airline remains in contract negotiations with 24,000 flight attendants. In late January the pilots union approved a two-year contract extension, effectively

isolating mechanics and flight attendants. United said it had also reached a tentative agreement with 420 flight dispatchers, who help pilots plan their routes. That deal extends through 2021.

One airline worker wrote on *seekingalpha.com*, "The work rules are really out of whack. Prime example is the Flight Attendants working hard toward a legal 10-hour rest in a hotel layover. That rule applies to Pilots now, but management doesn't think Flight Attendants should have the same amount of rest. So much for safety! Mechanics have lots of rules as well, and should be paid accordingly. If they screw up on a repair job, that can end up killing a lot of people. Management needs to realize all workers make a great company, and pay their workers decent. Management sure gets paid decent, so why not others in the company?"

Mechanics face a maze of obstacles for a legal strike under terms of anti-democratic federal labor laws. The National Mediation Board is not required to accept a request by the Teamsters to halt the talks. If an impasse is declared, then there could be binding arbitration. If that fails the government can impose a 30-day "cooling off period." The Obama administration can also create an "emergency board" to propose a settlement. The next mediation meeting is not until March 3.

Airline workers face a continued assault on their jobs, wages and working conditions even as airline profits rebound from the impact of the 2008 crash. As a result of massive cost cutting at the expense of workers and declining fuel prices, 2015 was the most profitable year for airlines since the start of deregulation in 1978. Delta reported a full year profit of \$4.5 billion and American recorded earnings of \$7.6 billion. American's 2015 profits were higher than any airline ever recorded in history. All told, the top five US airlines took in \$22

billion last year.

The contract rejection vote by United Continental mechanics comes amid signs of continued resistance by airline workers internationally. Recent weeks have seen a strike by Nok Air pilots in Thailand as well as a strike by workers at Pakistan International Airlines against plans to privatize the company. On February 3, Brazilian airline workers struck for two hours over contract issues in the run up to the carnival holiday season.

German-based Lufthansa airline faced a wave of strikes last year. In the most recent development Lufthansa cabin crew reached a deal with management, at least temporarily avoiding a walkout. A strike by flight attendants last November resulted in the cancellation of 4,700 flights over six days.

Job cuts continue in the global airline industry, with Air France announcing the elimination of 1,400 jobs, mostly ground staff. Despite booming profits Delta is going ahead with plans for eliminating the jobs of management and salaried employees, including human resource and communication workers.

The unions have overseen a massive restructuring of the airline industry. Time and again the unions have intervened to block any unified action by airline workers against the attacks on jobs and living standards. Bankruptcies and mergers over the last 14 years have led to a consolidation of the US airline industry from 10 major carriers down to four.

According to one report the United Continental merger cost at least 2,900 jobs, with flight attendants suffering the brunt of the cuts. In 2012 American Airlines, ahead of its merger with US Airways, eliminated 13,000 jobs, or 6 percent of its workforce.

The vote by United Continental mechanics is only the most recent attempt by airline workers to break out of the straitjacket imposed by the unions.

In November Southwest Airline Pilots voted by a 62 percent margin to reject a contract proposal that contained regressive work rule changes sought by management. The sellout deal followed three years of negotiations.

In July Southwest Airline flight attendants overwhelmingly rejected a contract proposal that included a mere 3 percent pay raise along with significant concessions in work rules. The vote was massive: 9,916 to 1,446.

President of the Association of Professional Flight Attendants (APFA) at American Airlines Laura Glading resigned in October 2015 in the face of a recall election by flight attendants angry over the recent sellout contract accepted by the union. Glading played a leading role in facilitating the 2013 merger between American and US Airways.

American flight attendants rejected a sellout contract in November 2014 before being saddled with a five-year agreement imposed through the medium of binding arbitration. The union agreed to binding arbitration even though it resulted in a deal worth \$83 million less than the rejected offer.

The attempt by the Teamsters to impose a sellout concessionary deal on United Continental mechanics is a further exposure of the reactionary role of the trade unions. The struggle to defend jobs, wages and working conditions poses the need to develop new organizations, democratically controlled by the rank-and-file, and outline a new international and socialist strategy to guide the struggles of airline workers around the world.



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