

Mesa

Pilots Ready To Tackle Road Ahead

By Lydia Jakub, ALPA Communications Specialist



Capt. Tyson Hasse and F/O Andrew Tam.

MAG at a Glance

Pilots Joined ALPA: 1987

Number of Pilots: Nearly 1,200 (233 on furlough)

Operations: Mesa Air Group includes Mesa, go!, and Freedom Airlines and operates as Delta Connection, US Airways Express, and United Express under contractual agreements, and independently as Mesa Airlines and go! Serves 126 cities, 40 states, Canada, and Mexico with approximately 800 daily departures

Bases: Charlotte, N.C.; Chicago, Ill.; Cincinnati, Ohio; Denver, Colo.; Grand Junction, Colo.; Honolulu, Hawaii; Kahului, Hawaii; Kona, Hawaii; Lihue, Hawaii; Phoenix, Ariz.; Washington, D.C.

Headquarters: Phoenix, Ariz.

Fleet: 136 aircraft, including CRJ100s/200s, CRJ700s, CRJ900s, ERJ-145s, and Dash 8-200s

Mesa Air Group became the first airline of the year to file for Chapter 11 bankruptcy protection, filing on January 5 in the U.S. Bankruptcy Court in the Southern District of New York. The steady decline in the U.S. economy had a tremendous effect on MAG and its partners, and in the end, it came down to money and too many parked aircraft. With contracts set to expire, United exercised its right to terminate its Dash 8 and CRJ200 flying with MAG. These 36 aircraft are scheduled to cease operations by April. Meanwhile, the legal battle between MAG and Delta continues to work its way through the court system. MAG was granted an injunction in 2009, barring Delta from terminating its contract and is seeking \$70 million in damages from Delta. With little

to no demand for new aircraft in the marketplace, MAG was forced to file for bankruptcy to eliminate the excess aircraft. The bankruptcy process will allow MAG to restructure its fleet and debt so that it meets the flying needs of its partners

and remains competitive for future business opportunities.

"Labor costs are clearly not the problem, and management indicated that it will honor our existing collective bargaining agreement," says Capt. Kevin Wilson, the pilots' Master Executive Council chairman. "Our new contract places us firmly among the leaders in the regional airline industry while allowing the company to remain competitive. We are proud of the great strides we have made for our pilots in a challenging economic climate; however, our work is far from over."

MAG pilots ratified a new collective bargaining agreement that contained significant improvements in December 2008. Among the improvements are scheduled vs. actual pay provisions, a line guarantee with cancellation pay and equipment protection pay, a 75.83-

hour minimum monthly guarantee, a minimum of 11 days off for lineholders and reserves, more vacation time, and a 200 percent premium for improper reassignments. The pilots also maintained their industry-leading scope provisions. Additionally, the pilots changed to a monthly bidding cycle and are using preferential bidding software (PBS).

The contract contained a provision that allowed the pilots or management to cancel PBS by providing notice to the other party by Jan. 1, 2010; otherwise, PBS would become a permanent part of the contract. On Dec. 31, 2009, management served the pilots with notice of its intent to terminate PBS and its associated provisions after failing to leverage the pilot group to again pay for the scheduling program. Before management's decision, the parties were engaged in discussions to address PBS-related issues. Management verbally committed to resolving the issues but came back with a document that included none of the resolutions. Additionally, management abruptly turned those discussions into ones about settling or withdrawing the grievances pertaining to scheduled vs. actual, sick pay, and cancellation pay. This issue is far from over. The pilots responded to management's letter and will continue to seek clarification until the matter is resolved.

Under the new contract, MAG pilots have received an additional \$1.6 million in pay; however, this amount does not factor in additional money that the pilots believe they are owed. In 2009, ALPA secured more than \$200,000 for MAG pilots through the grievance process. While both sides worked through the backlog of grievances that arose during Section 6 negotiations, several complex cases have yet to be resolved. The union has secured six arbitration dates over the next few months so that a neutral arbitrator can hear the grievances that cannot be resolved and determine the appropriate awards.

"Our lives and our airline have changed dramatically in a short amount of time, and if recent events are any indication, more challenges lie ahead," says Wilson. "We are prepared to face these challenges and address them head-on in order to protect and defend the rights and jobs of MAG pilots." ☺