



TRANSPORT WORKERS UNION LOCAL 555

REPRESENTING THE RAMP, OPERATIONS, PROVISIONING, AND FREIGHT AGENTS OF SOUTHWEST AIRLINES
TRANSPORT WORKERS UNION OF AMERICA • AFL-CIO • AIR TRANSPORT DIVISION • TWU555.ORG
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COVID-19 Update #12

Brothers and Sisters,

TWU Local 555 recognizes the devastating impact the COVID-19 pandemic has had on you, your family, and our Company. We are working hard to ensure your health and safety are protected, and that your job and income are secure in these extraordinary times. With the dramatic decrease in airline travel, all airlines, including Southwest, are searching to address the overwhelming impact the pandemic is causing. While the timeline to recovery is uncertain, one thing is certain, we will get through this and Southwest Airlines will gradually return to more normal operations.

We recognize Southwest is shrinking operations because of the impact the COVID-19 pandemic is having on passenger demand. We also acknowledge that a smaller operation is reducing the volume of work performed by Southwest employees and has created a temporary staffing imbalance. The Company is asking all employees to provide emergency relief due to the financial consequences of this imbalance until the virus is under control. However, the Contractual concessions that the Company has asked us and other unions to consider are unrelated to headcount imbalance. Rather, Southwest Airlines now seeks reductions in our pay rates through a freeze to our pay scale as well as potentially other aspects of our Contract. While we stand willing to address the need for temporary relief through more thoughtful voluntary measures, we are cautious of any concessionary changes to the terms of our existing Contract, which was built over decades of hard-fought collective bargaining.

The Contract and our pay rates are not the issues; rather, it is the sudden overstaffing, which is causing the financial hurdles in the airline industry. Fortunately, unlike previous airline crises, this one has federal legislation signed into law designed as a safety net for airline employees, by covering pay and benefits through September 2020. Southwest has accepted \$3.2 billion in federal grant and loan money made available as part of the \$2.2 trillion CARES Act. **Southwest is bound by the terms of the grant to not furlough any employee through September 2020.** This grant money relieves Southwest of its payroll burden and provides the Company, the unions, and union members the ability to consider the best options to address the crisis over the next six months without any draconian measures such as furlough or layoff.

As your Union, we will address the temporary needs of Southwest Airlines to weather this crisis in the manner which best serves you, our Members, and Southwest Airlines. **The financial relief sought by Southwest Airlines through a pay freeze and other concessionary amendments would not address the fundamental operational imbalance that is causing the financial issues at hand.** Southwest has alluded to the possibility of involuntary furloughs for any labor group that does not provide Contractual relief. Threatening its Unions and employees with furloughs to extract unnecessary Contractual concessions is ill-advised. Even if we agreed to provide the Company with Contractual concessions, it would not guarantee a prevention of furloughs, following the expiration of the CARES Act restriction in October 2020.

There is a better way to approach this crisis and to solve Southwest's temporary operational imbalance, and the billions in grant money gives all of us an opportunity to jointly explore solutions over the next few months. We will continue to stand together with the other Unions in solidarity as we face this extraordinary calamity. One Union, One Voice.

Fraternally,

TWU Local 555 Executive Board