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Delta vote to seal fate of unions

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For two decades, Rene Foss worked as a flight attendant for Northwest Airlines, and took her union, contract and benefits for granted. Then came the airline's bankruptcy, a 40 percent pay cut and NWA's takeover by the mostly nonunion Delta Air Lines.

"It was a real eye-opener," said Foss, who 2 1/2 years ago became a union activist and is now on the front lines of what will be an all-or-nothing labor contest at the nation's largest airline.

Two unions that represent 16,700 flight attendants and ground workers from pre-merger Northwest are battling for survival. They must persuade the combined Northwest-Delta workforces, including more than 33,000 nonunion employees in Atlanta and other hubs, to vote for unions — or they will cease to exist. The unusual showdown has been looming since the 2008 merger of Northwest and Delta.

In Minnesota, nearly 5,000 union workers would lose contract rights, such as arbitration of grievances.

"We stand to lose everything if there is no union," said Foss, who grew up in Edina, and has long been based in New York City. She quickly added: "But I am not suggesting that is going to happen."

The elections will be governed by union-friendly procedures pushed through last year by President Obama's appointees to the three-member National Mediation Board, which oversees transportation unions.

"I don't believe it is a slam dunk at all that the union wins," said Jerry Glass, a former US Airways executive who now is president of the industry consulting firm F&H Solutions Group LLC. "Delta has many things going for it. Most important, they have a long history of treating their employees well."

Within Delta, organizers for and against unions have been making their cases for several months in employee lounges and outside airports, on Facebook and the Web, and during visits to workers' homes. The campaign has revealed the vastly different workplace cultures at the two airlines, which have not yet fully consolidated.

At the mostly nonunion Delta, many flight attendants see little to gain from unions because the airline has long offered wages and benefits at or near the top of the industry, even after bankruptcy. At Northwest, labor supporters see unions as essential to protecting seniority, fighting outsourcing of work, and regaining pay and benefits slashed by airlines bankruptcies.

No dates have been set for three separate elections, by phone and the Internet, though they are likely to be held sometime after Labor Day.

Differing cultures

Delta Air Lines, headquartered in Atlanta, has long been among the least unionized of the major carriers. Delta's pilots and flight dispatchers are unionized, but the airline hasn't had a strike in decades. Delta's record of paying well has largely kept organized labor out.

Unions have lost six organizing campaigns since 2000 at Delta, including two by the Association of Flight Attendants (AFA), which now is making its third try.

Most pre-merger Northwest workers belonged to unions, and the company had history of labor-management tensions, including four strikes since 1978. The last walkout, a month before Northwest and Delta filed for bankruptcy in 2005, crushed the aircraft mechanics union and most strikers lost their jobs.

"In many ways this merger was a very happy marriage," said Mathew Palmer, a Delta flight attendant based in New York who is one of the leading opponents to the union. Now, as the union campaign heats up, Palmer said it sometimes feels "like we're in divorce counseling. The people are great, but the cultures are two different beasts."

Palmer and others in the "No Way AFA" campaign say the union has not benefitted workers. Some oppose unions generally. "My biggest concern is the ability to communicate with management," said Ashton Therrel Jr. of Atlanta, a flight attendant who has been with Delta for 25 years. "...I do not want to lose that open-door policy and have the union speak for me."

Northwest unions can't win unless they persuade many non-union Delta workers to vote yes. AFA, the bargaining agent for 7,189 Northwest flight attendants, got the support of 40 percent of Delta flight attendants in the unsuccessful 2008 vote.

"I am an optimist," said Foss, who believes that a recent change – the combining of Delta and Northwest employee lounges at hubs around the country – is a big plus for organizers. "We are in the same lounges, even though we are not working together (on flights). We are talking to each other... We are getting to know one another."

Yet union supporters must win over Delta workers who are paid higher wage rates than they'd get under the union contract. According to Delta, nonunion flight attendants also have higher average take-home pay than their union colleagues and many benefits that are as good or better.

Unions concede that nonunion wage rates at Delta are higher than those in the flight attendants and ground workers union agreements, but argue that their contracts also have better work rules, protections against dismissal and other benefits that make up for the lower wage rates.

"The main thing about a contract... is having a voice at the negotiating table, having a say in our future," said Foss, who spent her lunch hour last Monday at the Delta employee bus stop outside the Minneapolis-St. Paul International Airport terminal.

The International Association of Machinists, which represents 9,500 pre-merger Northwest ground workers, is the other union trying to organize Delta. "It is basically a get-out-the-vote campaign," said Jay Cronk, the IAM's transportation coordinator.

Key voting change

For years, airline unions could win only if they got the votes of an absolute majority of everyone they sought to represent. Any worker who didn't vote automatically was counted as a no. That allowed Delta to mount its successful "Give a Rip" campaign in 2002, urging employees to tear up voting materials in the first AFA union drive.

Under the new rule, unions can win with a majority of those voting. Employees who don't want a union now must cast a no vote.

In a recent mailing to flight attendants, Delta said, "If you do not want AFA to represent you... cast a 'no' vote during the voting period" and "tell your peers about the importance of voting 'no.'"

Cronk criticized Delta's announcement last February – on the first day of voting in a union election by flight simulator technicians – that all "nonrepresented," meaning nonunion, workers would get a raise in October. The clear message, Cronk said, was that voting for a union could mean not getting a raise. The IAM lost that election by three votes, but has petitioned the mediation board for a re-vote. The board hasn't ruled.

Delta spokeswoman Gina Laughlin said the raise has long been planned, and the timing of the announcement in February was a coincidence. She said union workers' raises are set by contract, and took effect in January.

Vaughn Cordle, chief analyst for the investment research firm AirlineForecasts LLC, gives the flight attendants union the best odds of winning, followed by the baggage and cargo handlers and, lastly, the passenger agents. Unions risk losing because "a lot of folks understand that the value of the union hasn't been reflected in higher wages," he said.

If the unions win, Cordle believes they will clamor to match contracts at other carriers. It may take several years, as new contracts are negotiated, but "labor costs are going to gap up" at Delta, he said. A return to pre-bankruptcy labor contracts would add \$1.2 billion in costs, he has told investors.

The airline disputes his analysis. Last week, Michael H. Campbell, the airline's executive vice president for human resources, predicted no "material impact on labor costs" because Delta already is committed to "industry-standard" pay.

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