

UAL Mechanics Dispatch SPECIAL-March 12, 2020

1 message

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**Special Update****March 12, 2020**

Brothers and Sisters,

Yesterday the Airline Division leadership met with Oscar Munoz and his team in Washington D.C. to discuss the ongoing crisis surrounding the COVID-19 pandemic. To say the situation is dire is an understatement. With that said, the company is doing everything in its power to avoid layoffs.

To help understand the economic situation, the company held an investor call on Tuesday, which was attended by the Airline Division. The company believes a worst case projection is for a 70% reduction in revenue over a two-month period that would gradually decrease to a 20% reduction by December. For those that have been through other industry crises there is at least some good news. The company starts with a healthy balance sheet, and they are making decisions quickly to end discretionary spending.

During the meeting with Oscar there was no discussion regarding relief from the CBA. The only thing requested was ideas for how to weather the storm. We brought forward the idea to temporarily bring outsourced work back in house to keep the membership busy with work that would need to be accomplished regardless of a reduced schedule. In addition, we are still trying to work with the Company to amend their Company offered Leave of absence so it reflects the Collective Bargaining Agreement. Let me reiterate, the Airline Division did not participate in the construction of the leave and will continue to ensure that the company institutes leaves of this nature in accordance with the agreement.

As the meeting was wrapped there was a joint commitment to discuss additional ideas to help keep our members employed.

Last night, after our meeting with Oscar, the Administration took the extraordinary measure of shutting down travel to Europe for thirty days. This action will most likely impact the company's broader decisions regarding spending and employment.

As with other crises in the past, no one can predict how long the coronavirus will impact travel demand, but the chances of the virus tipping our economy into a longer-term recession are much greater now. The industry and the economy will recover from this event, but it will take time.

To end on a better note, while we don't know the duration of this crisis, all airlines are projecting that recovery will take place sometime in 2021 meaning it will eventually subside and there will be a return to normal. For now, take the precautions laid out by the CDC and keep yourself safe.

We will continue to meet with the Company to develop solutions to mitigate any impact on our members. This is an unprecedented crisis for our industry and we will update you as this situation unfolds.

Vincent Graziano
Local 210, Business Agent
IBT National Coordinator, Airline Division

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