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## United's Bonus-Pay Plan Angers Flight Attendants

Union Opposes Raises for Technical Workers After Sweeping Pay Cuts; Airline Cites 'Brain Drain'

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Associated Press  
Tuesday, July 8, 2003; Page E02

CHICAGO, July 7 -- United Airlines' flight attendants union today assailed the carrier's plan to give 20 percent raises to as many as 600 professional and technical employees, just two months after pay cuts took effect for most workers.

United proposed the bonus-pay plan in a federal bankruptcy court filing last Thursday, saying it needs to stop the exodus of its information services and computer-programming employees to rival airlines and other employers.

The airline seeks to boost the workers' annual base pay by a total of 20 percent over a six-month period in hopes of fending off what it says has been a serious "brain drain" of information services employees considered key to its Chapter 11 reorganization.

"They have highly marketable technical skills, and we feel it's essential to our restructuring to retain them," spokesman Jeff Green said.

But the Association of Flight Attendants called the need for bonuses for the mid-level management employees "fabricated" and said it would file an objection to the plan, which is to be considered at a July 18 bankruptcy court hearing.

"Flight attendants are outraged at the prospect of a select group of employees receiving bonuses in light of what we have been through the past two years," said Greg Davidowitch, head of the AFA's United branch. "When we agreed to cut our pay and work rules, it was with the promise of a better future for all United employees."

Union workers agreed reluctantly earlier this year to substantial pay reductions that helped the financially ailing airline slash annual labor expenses by \$2.56 billion. United said the new pay program would cost up to \$9.5 million.

Green said the information services division lost more employees in the first quarter alone than in all of last year, with three to five workers a week continuing to depart the unit of 1,100 employees. Those who left reported getting salary increases of about 20 percent elsewhere, he said.

The flight attendants sought unsuccessfully to prevent United from establishing a similar bonus-pay program for 350 management employees, at a maximum cost of \$20.7 million. Bankruptcy Judge Eugene Wedoff approved that plan in February.

United, the nation's No. 2 airline, made the largest bankruptcy filing in airline industry history on Dec. 9. It hopes to emerge from bankruptcy in either the fourth quarter of 2003 or the first quarter of 2004.

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