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From: Pomerantz, Anne
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Aerospace
Boeing, Machinists Negotiate Plan
Offering Voluntary Layoffs, Benefits

SEATTLE—The Boeing Co. and International Association of Machinists District 751 have agreed to a voluntary layoff plan that will allow eligible airplane production workers to choose to be laid off with certain benefits and the company to retain employees with critical skills, a union representative said July 29.

The voluntary layoff benefits option plan, effective July 28, will help stabilize the workforce during times of layoffs, according to Connie Kelliher, District 751 spokeswoman.

Benefits include lump sum payments, extended medical and dental insurance, and earlier pension availability, according to the union.

IAM-represented employees last had access to a voluntary layoff plan in 1993, Kelliher said. The plan is the product of ongoing discussions between Boeing and the union aimed at improving communications in the wake of the union's 57-day strike against the company last fall ([213 DLR A-10, 11/4/08](#)), according to Kelliher.

"If we can work together to make a difference it's in the interests of everyone," she said.

Boeing spokesman Tim Healy said the parties have an understanding that they need to work to improve the relationship, having experienced three strikes during the last five rounds of contract negotiations.

"We've got to improve this relationship but we've got to improve it in a fundamental way," Healy told BNA July 29.

The voluntary layoff benefits options plan is laid out in a memorandum of understanding attached to the parties' four-year contract, Kelliher said.

At the suggestion of IAM District 751 President Tom Wroblewski, Boeing and the union began talking about a voluntary layoff option in January, she said.

At that time, the company said it intended to cut employment across the company by 10,000 jobs in 2009, including 4,500 at Boeing Commercial Airplanes ([213 DLR A-10, 11/4/08](#)).

Healy said job reductions since November 2008 in the commercial airplanes unit, including voluntary departures and layoffs, now stand at 2,500.

Companywide employment in the same time period has decreased by 4,600, he said.

Plan Helps Boeing Retain Skills

In a statement on the union's website, Wroblewski said the voluntary plan will be particularly appealing to workers who intend to retire anyway.

"The theory is to offer an option that will accommodate the needs of individual employees, help the company retain the skills it needs, and at the same time reduce the number of employees being surplussed," Wroblewski said in the statement.

District 751 represents some 25,000 airplane production workers in the Puget Sound area. Small units also covered by the contract for commercial airplane production workers are in Portland, Ore., and Wichita, Kan.

About 462 IAM-represented employees have been laid off since the first part of the year, Kelliher said.

It is hard to know how many employees would be eligible and interested in the voluntary plan, she said.

Jobs Must Be Declared Surplus

As described by the union, employees must be in a job skill area that has been declared surplus by Boeing skill management teams in order to apply for voluntary layoff benefits.

Skill teams will decide whether a machinist qualifies for the plan, the union said.

Voluntary layoff benefits include:

- a lump-sum payment of one week of pay for every two years of service up to a maximum of 13 weeks;
- eligibility for continued medical and dental insurance for up to six months following layoff; and
- eligibility for receiving pension benefits during a six-year period following layoff provided that employees forfeit recall rights.

By Nan Netherton

Anne P. Pomerantz
Regional Attorney | National Labor Relations Board | Region 19
2948 Jackson Federal Building, 915 Second Ave., Seattle, WA 98174
✉ anne.pomerantz@nrlb.gov | ☎ (206) 220-6311 | Fax: (206) 220-6305