



October 21, 2011

ATLAS AIR, TEAMSTERS FINALIZE AGREEMENT

Atlas Air Worldwide Holdings Inc. on Oct. 19 announced that it has completed an agreement with the International Brotherhood of Teamsters on a single contract and integrated seniority list for about 800 pilots at Atlas Air and Polar Air Cargo Worldwide.

The new five-year contract, effective Sept. 8, “completes the merger of the Atlas and Polar crew forces into a single collective bargaining unit,” the Purchase, N.Y.-based parent company said. Local union officials approved the agreement, which did not require a ratification vote by the membership.

The agreement was reached through “amalgamation negotiations as mandated by the pre-merger contracts” at the two air cargo carriers, Joe Muckle, president of IBT Local 1224, said Oct. 20.

The new single contract provides improvements in pay, 401(k) match, duty limits, minimum pay per day, benefits, and the grievance process, Muckle told BNA.

“Merger agreements are normally a compromise between two collective bargaining agreements,” he said. “However, the results of the [Atlas Air Worldwide] negotiations were different,” Muckle said, with major gains “achieved in a mix of work rules and pay above and beyond” that of both previous contracts.

Pay Raises Up to 30 Percent

First-year increases in wage rates took effect Oct. 1 and are expected to increase crew costs by approximately 11 percent, with “nominal increases expected in the succeeding years,” the company said.

Hourly pay raises average 30 percent for Polar pilots and 14 percent for Atlas crew members, bringing the two groups into parity, according to the Teamsters.

The integrated seniority list was finalized several years ago when the two groups were represented by the Air Line Pilots Association, but agreement on a single contract was required to implement it, Muckle said.

Atlas Air Worldwide Holdings has been attempting to merge the crews of Polar Air, also based in Purchase, N.Y., and Atlas Air, based in Herndon, Va., since late 2004.

In 2008, the carriers' pilots voted to replace ALPA as their bargaining agent with the Teamsters (208 DLR A-6, 10/28/08).

Pilots at Atlas and Polar now will be able to serve the carriers' aircraft interchangeably, the company said. The numbers of pilots working at each airline prior to the agreement were not disclosed.

“We are very pleased to have finalized our new collective bargaining agreement with our Atlas and Polar crewmembers,” John Dietrich, executive vice president and chief operating officer of Atlas

Air Worldwide, said.

The new contract “maintains competitive compensation and benefits for our crewmembers, [while] preserving industry-leading work rules and flexibility, and enhancing overall productivity,” Dietrich said in a statement.

He said negotiations with Teamsters representatives “were constructive and professional, with a genuine interest by both parties to reach agreement.”