REPORT TO THE PRESIDENT BY THE EMERGENCY BOARD

APPOINTED BY EXECUTIVE ORDER 10923 DATED FEBRUARY 24, 1961, PURSUANT TO SECTION 10 OF THE RAILWAY LABOR ACT, AS AMENDED

TO INVESTIGATE CERTAIN UNADJUSTED DISPUTES BETWEEN NORTHWEST AIRLINES, INC., A CARRIER, AND CERTAIN OF ITS EMPLOYEES REPRESENTED BY THE INTERNATIONAL ASSOCIATION OF MACHINISTS, A LABOR ORGANIZATION

(NMB CASES NOS. A-6176 AND A-6343)

(No. 136)

WASHINGTON, D.C.
MAY 24, 1961

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LETTER OF TRANSMITTAL

WASHINGTON, D.C., *May 24, 1961.*

THE PRESIDENT,
The White House, Washington, D.C.

MR. PRESIDENT: The Emergency Board created by you on February 24, 1961, by Executive Order 10923, pursuant to Section 10 of the Railway Labor Act, as amended, to investigate an unadjusted dispute between Northwest Airlines, Inc., and certain of its employees represented by the International Association of Machinists, a labor organization, has the honor to submit herewith its report and recommendations based upon its investigation of the issues in dispute.

Respectfully submitted.

PAUL N. GUTHRIE, *Chairman.*
PAUL D. HANLON, *Member.*
BENJAMIN AARON, *Member.*

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I. HISTORY OF THE EMERGENCY BOARD

Emergency Board No. 136 was created on February 24, 1961, pursuant to the terms of Section 10 of the Railway Labor Act, as amended (45 U.S.C. Sec. 160), by Executive order of the President of the United States. In Executive Order No. 10923 the President directed the Emergency Board to investigate and report on certain unadjusted disputes between Northwest Airlines, Inc., a carrier, and certain of its employees represented by the International Association of Machinists, a labor organization.

In due course the President appointed the following as members of the Board: Paul N. Guthrie of Chapel Hill; N.C., chairman; Paul D. Hanlon of Portland, Oreg., member; and Benjamin Aaron of Santa Monica, Calif., member. The Board convened in St. Paul, Minn., on March 6, 1961. Hearings were held on various dates between March 6, 1961, and March 30, 1961. During these hearings the parties were given full and adequate opportunity to present evidence and argument with respect to the disputes before the Board. The Company was represented in these hearings by Henry Halladay, counsel, and Emory T. Nunneley and Robert E. Ebert, vice presidents. The Association was represented by Frank Heisler, airline coordinator for the IAM, and Arthur Pederson, general chairman. The record of the proceedings consists of 1,200 pages of testimony and argument, and approximately 175 exhibits.

Since the creation of the Board, the President has on two occasions extended the time limit stated in the Executive order, the last extension being to May 24, 1961.

In discussions with the parties the Board explored the possibility of a mediated settlement of the matters in dispute. However, these efforts were not successful.

II. BACKGROUND OF THE DISPUTES

The parties to these disputes are Northwest Airlines, Inc., and the flight engineers in its employ, represented by the International Association of Machinists, District No. 143. The last collective agreement between the parties was executed effective September 19, 1958, which, with certain later amendments, continued in full force and effect until July 1, 1960. It was provided therein that the agreement would be automatically renewed from year to year unless either or both parties gave notice 30 days in advance of July 1, 1960, or any succeeding July 1.

During the life of this agreement the Company prepared for the introduction of turbojet (DC–8) aircraft into regular schedule service. The existing agreement did not contain a rate of pay for flight engineers serving on turbojet aircraft. Consequently, on February 9, 1960, the Company served upon the Union a notice under Section 6 of the Railway Labor Act asking that rates of pay for flight engineers serving on turbojet aircraft be negotiated. Negotiations on thiis matter were conducted over a period of several months without agreement being reached. This unresolved dispute became National Mediation Board Case No. A–6176 cited in the Executive order creating this Board.

As noted above, the existing agreement between the parties was scheduled to continue in effect to July 1, 1960, with either party having the right to serve a Section 6 notice upon the other at least 30 days prior to July 1, 1960, for proposed changes in the agreement. In accordance with these provisions both the Company and the Union on May 31, 1960, proposed certain changes in the collective agreement. The Company's notice embraced some 9 proposed changes and the Union's notice listed some 56 proposed changes. During subsequent months, negotiations took place without full agreement being reached between the parties. As will be indicated more fully below, tentative agreement was reached on certain issues. However, a substantial number of matters remained in dispute. This continuing dispute concerning proposed changes in the agreement came to be designated as National Mediation Board Case No. A–6343, which case is also cited in the Executive order creating this Board.

Prior to the President's action in creating this Emergency Board, numerous efforts at mediating the disputes were made by the National Mediation Board. Likewise, that Board proffered arbitration to the parties in accordance with the terms of the Railway Labor Act. These efforts of the National Mediation Board did not succeed in resolving the disputes. Therefore, the Board certified the disputes to the President in accordance with the provisions of Section 10 of the Railway Labor Act.

In order that a fuller understanding may be had of the background of these matters as they came before the Emergency Board, reference is made to certain events which occurred during the pendency of these cases prior to the creation of the Board.

During the year 1959 the Company began giving consideration to the crew requirements for turbine-powered aircraft. It was planned that the L–188, a turboprop plane, would first go into service, to be followed by the introduction of the DC–8, a turbojet aircraft. It was decided that on turbine-powered aircraft the cockpit crew should be operationally oriented, the occupant of the third seat being required to have a commercial pilot's license with instrument rating

as well as a flight engineer's certificate. The initial controversy on this matter had to do with the introduction of the L–188 aircraft into scheduled service.

As noted above, the Company contemplated introducing the DC–8 aircraft into scheduled service in 1960. After several delays it was feasible to plan the introduction of this airplane for July 1960. In the meantime negotiations had been going on between the Company and the IAM for pay rates for the flight engineers on DC–8 aircraft. However, agreement with respect to these rates had not been reached. As a result, the introduction of the DC–8 into scheduled service was delayed for approximately 2 weeks. Finally, on or about July 23, 1960, the Company entered into an agreement with the Air Line Pilots Association that the DC–8 would carry a crew of a captain, a copilot and a second officer from the pilots' ranks. In addition, the Company assigned a flight engineer from the IAM ranks, thus making a crew of four in the cockpit. The DC–8's were operated with this crew complement until October 11, 1960. On that date, because the parties had been unable to agree upon a rate of pay for flight engineers on the DC–8's, the IAM flight engineers refused to fly on the DC–8's. The result was to ground the DC–8's and make it impossible for the Company to continue them in scheduled service, since there were no certificated flight engineers. However, the propeller aircraft continued in regular service.

This continued to be the operating situation for several weeks. Thereafter, on or about November 18, 1960, the Company began to train its pilots for flight engineers' certificates for assignment to the DC–8 aircraft. On December 24, 1960, it was announced by the Company that on December 31, 1960, the DC–8's would be returned to service with a flight crew consisting of a pilot in command, a copilot, and a flight engineer (second officer) from the pilots' ranks who had been certificated as a flight engineer. Thus, DC–8 flights were resumed without a flight engineer from the IAM ranks being on board.

Following these events, the IAM withdrew the flight engineers from service on all the Company's aircraft on January 9, 1961. The result of this action was to close down the operations of the Company except for a limited number of DC–8 flights which continued. This strike was still going on when the President issued the Executive order creating this Board on February 24, 1961. Following February 24, 1961, the strike ended and service was gradually resumed. However, after the resumption of service, the DC–8 aircraft continued to be operated with a cockpit crew of three: a pilot in command, a copilot, and a second officer, all from the pilots' ranks. Thus the IAM flight engineers were assigned to all of the Company's aircraft except the DC–8's.

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III. THE ISSUES

This Board is concerned primarily with the unresolved issues from the three Section 6 notices cited above. One of these was the Company's notice of February 9, 1960, asking for the negotiation of rates of pay for flight engineers on turbojet (DC–8) aircraft. The other two notices, one by the Company and one by the Union, were served on May 31, 1960, proposing various changes in the collective agreement. In a sense, these notices all became merged after May 31, 1960, in that the proposals for contract changes made on that date included proposed rates for flight engineers on turbojet aircraft. These issues which are to be considered by the Board are discussed in order below.

A word should be said about the most important issue of all in this controversy. It does not appear in any of the formal notices filed by the parties. However, the Board, in the course of its investigation, has found it to be the key issue. This issue is that of the proper crew complement on turbojet aircraft and the qualifications which the occupant of the third seat should have. Since this matter is of such importance, the Board would be remiss in its duty fully to investigate the whole of the dispute if it did not consider the crew complement issue. Therefore, it will be considered at some length below.

During their negotiations prior to the creation of this Board, the parties reached tentative agreement on a number of issues. Our considerations are limited to the major unresolved issues on the theory that the parties will be able, within the framework of their negotiations, to resolve those matters on which tentative agreement was reached, and any others which are of minor importance.

IV. DISCUSSION OF THE ISSUES

A. CREW COMPLEMENT QUALIFICATIONS AND RELATED ISSUES

Northwest Proposals on Recognition and Scope

Section 1. *Recognition and scope.*—Amend paragraph b. by deleting the phrase, "and further employees, to be classified as Flight Engineer, will be promoted from the class or craft of Flight Mechanic, and/or Airline Mechanic, insofar as qualified personnel are available in these classifications."

Section 1. Delete paragraph d.

Machinists Proposal No. 2

Section 1. Amend paragraph d. to provide for a flight engineer on all flights of all equipment and to further provide that only supervisory personnel on the IAM seniority list will be permitted to fly these trips.

Machinists Proposal No. 3

Section 1. Add following new paragraph f.: "All check, instructor and test flight engineers positions shall be filled by the bidding procedures from the IAM flight engineer seniority lists."

Northwest Proposal on Definitions

Section 2. *Definitions.*—Amend paragraph a. by deleting it and substituting the following: "A flight engineer is an employee holding a valid flight engineer certificate issued by the Federal Aviation Agency and whose primary assigned duty during flight is to assist the pilots in the mechanical operation of an airplane."

Machinists Proposal No. 6

Section 2. Amend NOTE to paragraph a. to read as follows: "The qualifications listed above must be met by any individual prior to acceptance for training as a flight engineer. No additional qualifications may be imposed."

Northwest Proposal on Seniority

Section 20. *Seniority.*—Amend paragraph a. by deleting the first sentence and the word "such" from the second sentence thereof.

Machinists Proposal No. 33

Section 23. *Domicile assignments.*—Amend paragraph d.(4)(c) by adding the words, "as defined in Section 2–a."

It is immediately apparent that each one of this group of issues is closely related to the others, and that a final resolution of any of them cannot be accomplished without the resolution of all. It is equally clear that, despite certain differences detailed below, these issues encompass most of the problems dealt with in the Report of the President's Commission on the Air Lines Controversy, which is being released simultaneously with the Report of this Board.

In keeping with their respective responsibilities to achieve an amicable settlement and agreement between the various parties to these disputes, the Board and the Commission have jointly discussed their common problems and have striven to develop proposals which, though necessarily differing in some respects, are mutually consistent and compatible.

The Board's recommendations, like those of the President's Commission, deal with the issues of the required qualifications and training for the third crew member on turbojet aircraft. Unlike the Commission, however, we do not have squarely before us, for example, the question of which organization shall represent this third crew member. Indeed, in the case before us the only two parties directly involved are Northwest Airlines and the International Association of Machinists. Yet we cannot ignore the obvious possibility that a permanent solution of these various interrelated problems may require some sort of enforcible and stable tripartite agreement between each carrier and the several organizations representing its flight engineers and pilots. Accordingly, we urge the parties in this case to consider our recommendations in the light of and in conjunction with the somewhat broader recommendations made this day by the President's Commission.

The interrelation of the several disputes before this Board and the President's Commission also makes it inadvisable, in our opinion,

for us to phrase our recommendations on this particular group of issues in terms of specific contract language, as requested by the parties. Rather, we prefer to recommend the specific principles set forth below which, if adopted by the parties, should enable them to make the necessary detailed changes in their collective agreement.

To begin with, we think that any long-term solution to the problems confronting the parties must be based on agreement that only three men are required to operate turbojet aircraft presently in use or to be acquired in the foreseeable future. No one has seriously contended in the proceedings before us that considerations of safety or efficiency require more than three, nor has any agency of government made such a finding.

Under existing federal regulations, an airman holding a valid flight engineers' certificate is required on all aircraft certificated for more than 80,000 pounds maximum takeoff weight, or on all four-engine aircraft certificated for more than 30,000 pounds when the Administrator of the Federal Aviation Agency so determines. All turbojet aircraft now in use are certificated at substantially over 80,000 pounds; therefore, the occupant of the third seat on such aircraft must possess a valid flight engineer's certificate.

One of the basic issues in this controversy is whether the occupant of the third seat on turbojet aircraft should be required to possess qualifications in addition to a valid flight engineer's certificate, and, if so, what those additional qualifications should be. Northwest insists that he should also have a commercial pilot's certificate with instrument rating. The IAM does not object to this particular qualification, but it also insists upon the further requirement of an A & P (Airframe and Power Plant) license. All Northwest flight engineers in the bargaining unit represented by the IAM presently must and do have such a license. In this case, therefore, the area of dispute is limited to the question whether, on turbojet aircraft, the occupant of the third seat should be required to possess an A & P license, in addition to a flight engineer's certificate and a commercial pilot's certificate with instrument rating.

This question is extremely complex, and expert opinion on the merits is sharply divided. Traditionally, flight engineers have been mechanical specialists. Thus, paragraph b, Section 1, of the 1958 Agreement states that the Company's recognition of the IAM as exclusive bargaining representative of all employees designated or classified as flight engineers "is predicated on the historical fact [that] a precedent class or craft known as 'Flight Mechanic' was established from the class or craft of Airline Mechanics * * *." Until now, this Company has been content to select its flight engineers from the mechanics' ranks. With the advent of the jet age, however, Northwest and other air carriers have concluded that a mechanical specialist is no longer needed

in the third seat, and that the three-man crew should be qualified and trained to function as an "operationally oriented" team. That judgment stems in part from the belief that the possibility of making major mechanical adjustments or repairs during flight has been virtually eliminated on turbojet aircraft, and that the occupant of the third seat is now needed primarily to assist the other two crew members in maintaining communications, reading route charts, making up flight plans, and in carrying out related functions. These new types of responsibilities, according to the Company, do not require the kind of training represented by an A & P license, but require, instead, greater emphasis upon pilot training.

The Union maintains, however, that considerations of safety and efficiency necessitate the preservation of the flight engineer's status as a mechanical specialist, regardless of what other qualifications he must have. Granting that it may not be as relatively easy to make in-flight repairs or adjustments on jet aircraft as on propeller-driven aircraft, the Union insists nevertheless that the knowledge needed to acquire an A & P license is indispensible for monitoring systems, diagnosing trouble, and for assisting with repairs on the ground.

There are, of course, other reasons underlying the respective positions taken by the parties, including an understandable concern over what organization will ultimately represent the occupant of the third seat on turbojet aircraft. Although, as previously noted, that issue is not directly presented to us in this case, we cannot overlook either its existence or its influence on the attitudes of the parties.

The argument whether the occupant of the third seat on turbojet aircraft should be legally required to have an A & P license raises technical questions outside our jurisdiction and beyond our competence to resolve. On this matter only the Federal Aviation Agency can speak with final authority. Our concern is with the flight engineers, present and future, employed by Northwest Airlines; and as to them our recommendations are based on the record made in the proceedings before us. We are thus required to take into account circumstances and equities that may or may not exist on other airlines. In this respect, therefore, our observations are limited to the facts of this case only, and should not necessarily be considered appropriate for cases before the President's Commission.

On the basis of the entire record in this case, we are convinced that the flight engineers employed by Northwest and represented by the IAM are a group of highly qualified and competent men. Their background of mechanical training and experience, represented in part by the A & P license, has undoubtedly enhanced their value to the Company, particularly in respect to the operation of propeller-driven aircraft. Whether this type of training and experience will prove equally advantageous in the operation of turbojet aircraft we

cannot say; but it is reasonable to assume that it will probably be of some value and is not likely to be a detriment. The Union has raised no objection to a requirement that all crew members on turbojet aircraft possess a commercial pilot's certificate with instrument rating. Therefore, the fact that one member also holds an A & P license, even though it may not be required, can scarcely be regarded as a threat to the Company's concept of an operationally oriented crew.

At the same time it must be conceded that for some months now Northwest turbojet aircraft have been flown by crews made up of three pilots, one of whom has a flight engineer's certificate but no A & P license. No evidence before us suggests that these flight operations have fallen below acceptable standards of safety or efficiency because no member of the flight crew possessed an A & P license.

Based on the facts of this case, our conclusion is, therefore, that as far as Northwest is concerned, the requirement of an A & P license for the occupant of the third seat on turbojet aircraft is not a matter of safety or efficiency; but it is a valid criterion of job preference. Subject to further considerations discussed below, we think that the possession of an A & P license should guarantee to those flight engineers presently employed by the Company, who are able and willing to satisfy the other requirements, a special priority for the third seat on turbojet aircraft.

The foregoing observations apply only to those flight engineers presently employed by the Company, almost all of whom have been promoted from the mechanics' ranks. As previously intimated, however, we do not think the record supports the proposal that the Company impose the requirement of an A & P license on new hires to fill the third seat on turbojet aircraft. We believe that with respect to such new hires for that position the Company should be free to require no more than a flight engineer's certificate and a commercial pilot's certificate with instrument rating.

By "new hires" we do not mean only those persons who may be hired into the flight engineers' bargaining unit. We think this category should also include pilots presently employed by the Company who elect to acquire a flight engineer's certificate and to bid for the third seat on turbojet aircraft. Some pilots in this category are currently occupying the third seat on Northwest turbojets, having qualified and been assigned during the period since the flight engineers represented by the IAM refused to accept such assignments.

Summarizing the discussion up to this point, we think all turbojet aircraft operated by Northwest should be manned by an operationally oriented crew of three men. The occupant of the third seat should be required to possess a flight engineer's certificate and a commercial pilot's certificate with instrument rating. The possession of an A & P

license, though not required by the Company or essential to the safe and efficient operation of the aircraft, should entitle the holder to a special preference in bidding for the third seat. We recommend the following orders of preference:

First preference should be given to qualified flight engineers in the bargaining unit represented by the IAM who now have a commercial pilot's certificate with instrument rating. Assignments within this group should be made in the order of seniority.

Second preference should be given to all flight engineers presently in the bargaining unit represented by the IAM who bid for and successfully complete the necessary pilot training culminating in the acquisition of a commercial pilot's certificate with instrument rating. We recommend that the Company start immediately to provide the necessary training to flight engineers in the bargaining unit represented by the IAM, in the order of their seniority. Enough men in this group should be trained to fill present and anticipated needs for the third seat on turbojet aircraft, over and above those presently satisfied by the flight engineers in the first preference group. In keeping with an earlier proposal made by the Company, and dealt with in greater detail elsewhere in this Report, we recommend that such training be provided on Company time and at Company expense.

Third preference should be given to those pilots possessing a flight engineer's certificate who are presently assigned to the third seat on turbojet aircraft operated by the Company.

Fourth preference should be given to new hires, as previously defined, who satisfy the minimum requirements for the third seat.

The multiplicity of IAM bargaining units on the Northwest property creates certain difficult, but by no means insoluble, problems with respect to seniority lists. Under the several collective agreements between the IAM and the Company, flight engineers retain the seniority they have previously acquired in all other bargaining units represented by their union. They lose accumulated seniority in such other bargaining units, however, whenever they go on the seniority roster of any other organization, which in this case would be the Air Line Pilots Association. There is nothing immutable about that rule, however; it was imposed originally at the insistence of the IAM and can be abandoned anytime that organization is willing.

Creation of operationally oriented flight crews on turbojet aircraft along the lines we have previously suggested cannot be effectuated unless members of ALPA and the IAM are allowed places on each other's seniority rosters. We think that the following principles would fully protect the legitimate interests of all employees involved:

All pilots in the third preference group, as defined above, or any pilot who successfully bids for the third seat on turbojet aircraft in the future, will retain his pilot seniority, and will also be placed at the

bottom of the seniority roster of the flight engineers represented by the IAM.

All flight engineers in the IAM bargaining unit who are in the first preference group, as defined above, or any member of that bargaining unit who successfully bids for the third seat on turbojet aircraft in the future, will retain his flight engineer seniority, and will also be placed at the bottom of the pilots' seniority list.

The result of the foregoing is, of course, that any second officers presently flying in the third seat on turbojet aircraft will be displaced by any flight engineer in the first or second preference group, as defined above. We think such a result is not unfair, since it merely restores retroactively to the date this dispute arose the job preference in assignments to the third seat to which, as previously explained, we believe the flight engineers with A & P licenses are entitled.

The foregoing recommendations, considered as a whole, provide the basis of an equitable and viable solution to the various problems dealt with in this section of our Report.

The proposal for a three-man, operationally oriented flight crew on turbojet aircraft is designed to insure the greatest safety and efficiency of operation.

The proposal to require the occupant of the third seat on such aircraft to possess not only a flight engineer's certificate, but also a commercial pilot's certificate with instrument rating, is necessary in order to achieve an operationally oriented crew.

The proposal to give job preference in assignments to the third seat to those flight engineers presently employed by the Company who, in addition to meeting the minimum qualifications described above, also have an A & P license, is consistent with the objective of maintaining safe and efficient operations and gives due regard for the job equities which those employees have acquired over the years on the Northwest property.

The proposal to recognize the Company's right to hire employees who do not have A & P licenses to fill future vacancies in the third seat on turbojet aircraft is no threat to the present group of flight engineers who hold such licenses, since they will be protected by their greater seniority.

The proposal to permit pilots and flight engineers to go on each others' seniority rosters is consistent with the concept of an operationally oriented crew and permits members of either group a greater latitude of job choice. At the same time it fully protects present members of both groups against displacement by employees with less seniority.

We are aware, of course, that the foregoing proposals do not satisfy the maximum demands of either party to this dispute and may not be reconcilable in all respects with the provisions of the current collective

agreement between Northwest and ALPA. We are confident, however, that all interested parties will recognize the need for some compromise, especially when it involves no overriding of the reasonable and legitimate expectations of any group. In this connection we suggest that it may be profitable for all parties concerned to reconsider the Company's proposal of December 22, 1960, or some modification thereof.

Underlying this aspect of the dispute is a very real fear on the part of the flight engineers that the changing concept of the third-seat job results in a threat not only to their union, but more importantly, to their individual job security and seniority on the turbojets. They obviously feel that even if a tripartite agreement could be reached along the lines of the Company's proposal of December 22, 1960, or those recommended above, it could be rescinded or changed at some subsequent date, as a result of pilot pressure or a change of heart by the Company. Their fear, whether justified or not, can and must be allayed.

A definite, legally binding, and enforcible tripartite agreement could be entered into insuring the job preference structure outlined above. This could be enforcible on behalf of each individual flight engineer now employed by the Company, and not be changed to the individual's detriment without his consent. Legal opinions indicate that such a binding agreement is practicable, and if necessary, further support would undoubtedly be available from the government and from the AFL-CIO.

B. TRAINING PROGRAMS AND RELATED ISSUES

Machinists Proposal No. 36

SECTION 24. *Equipment qualifications.*—Add a new paragraph as follows: "All training programs must be approved by the union prior to classes being held and, further, the Company shall provide training on all new equipment and yearly refresher training on all equipment to the extent of Section 2—'a' of this agreement and to the extent that no restrictions of A & P license usage will occur. All instructors will be from IAM seniority lists."

Machinists Proposal No. 37

SECTION 24. Add new paragraph establishing a flight engineer training and check program.

In these two proposals the Union asks for a greater voice in the Company's training program, and in addition requests that the Company establish a training and check program for flight engineers, separate and in addition to any such programs in which flight personnel participate.

The Union contends that these measures are essential if the Company is to have available adequately trained flight engineers. It argues that the Union should pass upon such training programs in

advance, since they are intimately related to working conditions. Further, the Union asks that no training programs be utilized which would have the effect of eliminating the A & P license for flight engineers.

The Union contends also, that an adequate training program for flight engineers can be realized only if the instructors are chosen from the IAM flight engineer ranks.

The Company's position is that these proposals by the Union would interfere with the exercise of its managerial rights, and that, furthermore, the requirement that the Union give advance approval to such training program would in effect give the Union veto power over the Company's training programs.

The Company also contends that it is entitled to decide who the instructors will be and to determine their qualifications. The Company points out that it bears the responsibility for providing adequate and sufficient training and the necessary check programs, and that, therefore, it should have the freedom necessary to accomplish this objective.

It is obvious that these requests are related to the mechanical specialty concept of the flight engineers' function. Elsewhere in this Report the Board has offered some observations on this matter. Therefore, our comments at this point will be limited to the specific requests of the Union.

The Board cannot recommend the adoption of either of these two proposals. To grant the Union's request for prior approval would, in effect, give the Union a veto over Company action in an area where the Company bears the major responsibility. In practical operations it could delay for long periods the establishment of training programs on new equipment while the parties haggled over the details of the programs and the necessary qualifications of the instructors. In brief, such an arrangement would be intolerable.

This is not to say that the advice and suggestions of the flight engineers should not be sought by the Company. Obviously, they can make many valuable suggestions in view of their experience. Cooperation between the parties on these matters is to be encouraged. In the judgment of the Board, this is a much more desirable solution than to write into the Agreement the sort of proposals made by the Union.

We have not been shown convincing evidence that these proposals are necessary or desirable. On the contrary, we are convinced that they would be harmful and self-defeating.

Recommendation

The Board recommends that Machinists Proposals No. 36 and No. 37 be withdrawn.

Machinists Proposal No. 38

Section 24. Incorporate in the Agreement a set of rules governing working conditions, rates of pay, and coverage for flight engineers on simulator equipment.

The Union has submitted a series of detailed proposals on this matter, which appears in the record as IAM Exhibit 31. These proposals are in the nature of adaptations of the provisions found in Section 38 of the Agreement between Northwest and ALPA.

The Union's position is that since the flight engineer is subjected to checks on the simulator, the Agreement should contain the necessary regulations to protect his interest. The Union does not object to the use of the simulator so long as the flight engineers are adequately protected by the necessary rules. The Company's position is that the flight engineer's usage of the simulator is quite different from that of the pilots, and that therefore, the detailed rules proposed by the Union are unnecessary for the flight engineers.

It is not essential here to review in detail each of the proposed rules. Our comments will be directed to the general issue of the simulator and its use by flight engineers. It does appear that there are distinctions between the uses made of the simulator by the pilots and the flight engineers. Therefore, it may well be that the rules for the flight engineers should be somewhat different than those for the pilots. However, it does seem appropriate to include in the Agreement a series of rules adapted to the flight engineer uses of the simulator.

Recommendation

The Board recommends that the parties negotiate a series of rules recognizing the principle in the Union's request, but adapting the details to the particular uses of the simulator by flight engineers.

IAM Proposal No. 44

Section 30. *General.*—Amend paragraph j. to read as follows: "The Company will provide all flight engineers reasonable time for any training necessary at no expense to the flight engineer to meet additional requirements that may be imposed by a governmental agency."

The present language of the Agreement reads as follows:

The Company will provide all flight engineers reasonable time for any training necessary to meet additional requirements that may be imposed by the Company or a governmental agency.

The Union proposal is twofold. First, it seeks to eliminate the reference to additional requirements imposed by the Company. This is in furtherance of the Union's objective as basically presented in the proposed amendment to the NOTE to Section 2, paragraph a., which would expressly prohibit the imposition of additional qualifications by the Company during the life of the contract. This is another attempt by the Union to gain absolute veto power over any change in

the duties or job description of the flight engineer during the contract term. As pointed out in other sections of this Report, the rapid and continual technological changes encountered make it unthinkable that the Company should be placed in a straight jacket, unable to require new training and qualifications to meet changing conditions. The need for additional qualifications should certainly be discussed by the Company and the Union but the final decision must be left to management. We recommend that the reference to Company-imposed additional requirements as well as those imposed by a governmental agency be retained in paragraph j.

The second part of the Union proposal would add a new provision requiring the Comany to bear the expense of additional training. We feel that this is a resonable request. Whether imposed by the Company or by a governmental agency, additional requirements for service as a flight engineer are always directed toward the improvement of the Company's service to the public. The necessity for further training comes about through no fault or deficiency on the part of the employee but rather as a result of basic changes in the industry. It is to the advantage of the Company that additional qualifications be obtained as quickly as possible, and we also note that with respect to other issues in this dispute the Company expresses its rightful desire to set up its own training programs and to qualify its personnel by methods considered suitable and satisfactory to the Company. Again, some recognition of the basic idea that the expense of additional qualifications training should be borne by the Company may be found in the Company's proposal of December 22, 1960, in which it offered to train flight engineers for commercial pilot's certificate with instrument rating on Company time and at Company expense.

Recommendation

The Board recommends that paragraph j. be amended to read as follows:

The Company will provide all flight engineers reasonable time for any training necessary at no expense to the flight engineer to meet additional requirements that may be imposed by the Company or by a governmental agency.

Machinists Proposal No. 49

Section 30. *General.*—Add new paragraph, "outlining the duties of a flight engineer aboard NWA aircraft as it pertains to this Agreement in the performance of their operations."

The Union's detailed proposal on this issue, which is identified as IAM Exhibit 38, reads as follows:

1. All flights with two or more pilots assigned to an aircraft shall have a flight engineer assigned, and when a flight engineer is assigned to such a flight he shall perform the duties of the flight engineer on said flight. This shall not include aircraft which does not require flight engineers for revenue operation of the aircraft.

2. The minimum duties of a flight engineer shall be those described in the company operating manuals in effect as of October 1, 1960. Similar duties will be assigned to flight engineers on future aircraft.

3. No pilot shall be permitted to take flight engineer training on company owned or operated equipment for the purpose of obtaining a flight engineer certificate. This is not intended to preclude the training of captains or first officers at the flight engineers station to provide emergency coverage of this station as required by C.A.B.

4. The second officer shall not occupy the flight engineer station at any time.

5. All training of flight engineers including proficiency checks shall be accomplished by flight engineers covered under the basic flight engineers agreement.

The Union's position is that this proposal is necessary in order to stabilize the duties of the flight engineers, and that otherwise the craft will be diluted by the Company's unilateral revisions of the operating manuals. The Union contends further that the Company has been yielding to pressures from ALPA to undermine the craft integrity of the flight engineers' function by modifying their duties.

The Union argues that the duties of the flight engineers as reflected in the Company operating manuals as of October 1, 1960, should be specified in the Agreement, and that thereafter any changes in duties should be made only by negotiation between the Company and the Union. The Union claims that this is necessary and justifiable since the duties to be performed are intimately related to working conditions.

The Company's position is that these proposals would freeze the assignments of the flight engineers' duties in such a way that proper adjustments for technological progress could not be made. The Company contends that new types of aircraft, such as the turbojets, drastically alter the flight engineers' duties. It points out also that the needs of day-by-day operations often dictate changes in the operation manuals which it would be impractical to negotiate with the Union. The Company thus argues that the determination of flight engineers' duties is a function of management.

The Union's proposal is designed mainly as a protection against what the flight engineers regard as the undue influence of ALPA upon the Company. The Union admits that prior to recent difficulties such a contract provision did not appear to be necessary. However, the flight engineers believe that the recent changes made by the Company with respect to their duties have resulted largely from pilot pressures. Therefore, the instant proposal is made for the purpose of making any further contemplated changes in duties and responsibilities subjects of negotiation.

The evidence before the Board does not support the Union's contention on this issue. While it is undoubtedly desirable to have discussions between the Company and the flight engineers on these matters, there is no showing in the record that the proposed additions to

the Agreement are necessary or desirable. The result would tend to freeze existing operations manual provisions relative to flight engineer duties. The rapid technological changes in the industry would make such a result undesirable. Furthermore, a certain flexibility in the apportionment of duties among the members of the flight crew is advisable. Of course, it may be helpful for the Company and the Union to negotiate some understandings regarding the duties and responsibilities of the flight engineers. However, the proposal before us goes much beyond this, and provides for a virtual freezing of the duties as of a particular date, namely, October 1, 1960.

Recommendation

The Board recommends that the Union's request be withdrawn.

C. WAGES AND RELATED ISSUES

Machinists Proposal No. 7

Section 4 (base pay), 5 (hourly pay), 6 (gross weight of airplane pay) and 7 (mileage pay). "Amend to provide for substantial wage increase."

Machinists Proposal No. 54

Section 32. *Effective date and duration.*—"Amend to provide the proper duration date as may be negotiable between the parties."

Before dealing with the amount of wage adjustments which will be recommended, there are two matters which should be considered. The first is the Company's request that the flight engineers achieve the top rate in the 10th year rather than the 8th year as is presently the case. The Board has concluded that the top rate should continue to become effective at the 8th year. The record shows that there is no consistent industry practice on this matter; the top rate of the wage scale becomes effective at varying times on different airlines. On the other hand, the top rate of the wage scale becomes effective at the 8th year for the captains and copilots on Northwest. We believe that this is the most relevant criterion, and that the arrangements for the flight engineers on this matter should be consistent with those for the captains and copilots on Northwest.

The second is the question of the duration of the Agreement, once it is negotiated. It appears that during negotiations the parties have talked in terms of the agreement running from July 1, 1960, to July 1, 1962. This seems to the Board to be a satisfactory solution to the problem of duration. Consequently, our recommendations with respect to wages will contemplate an agreement between the parties running to July 1, 1962.

In the course of negotiations, the Union proposed various changes in the wage structure, designed to provide a substantial wage increase for the flight engineers. These changes contemplated certain modifications in the pay factors, base pay, hourly pay, gross weight pay,

and mileage pay. The proposed adjustments in these factors were obviously for the purpose of increasing wages, rather than for the correction of any inhernt deficiencies in the factors themselves. Accordingly, the Board will address itself to the general objective of these proposals, leaving to the parties the task of adjusting and manipulating the factors to fit the recommendaions of the Board. In order to accomplish this the Board will recommend top rates for flight engineers on each class of aircraft. With these guide lines the parties can readily make any necessary adjustments in the details of the wage structure, including the appropriate rates for various years of service.

In reviewing the wage requests by the Union the Board has considered the historical relationship between the rates for flight engineers and other flight groups on Northwest. It appears that by design or otherwise there has been a pattern of direct relationships between the rates paid flight engineers and copilots. Likewise, the percentage of captain's pay received by flight engineers in the past provides a useful comparison.

The Board has also considered the pay levels for flight engineers on other trunk air carriers. It has been somewhat difficult to use this comparison effectively because so many of the contracts on other carriers are currently in negotiation.

Having made a careful review of the record before us, and having taken into account the comparisons mentioned above, the Board recommends that the following scale of top rates for flight engineers with eight or more years of service be established. (Consistently with present practice, these rates include 25 hours of operational duty pay, and are calculated on the basis of 80 hours, ½ day, ½ night, for domestic service):

DC–6B	$1,008.23
DC–7C	1,132.31
L–188	1,192.15
DC–8	1,430.58
B–720	1,363.35

These proposed top rates, except for those applying to the DC–8 and the B–720 aircraft, would effect an increase of 10 percent over current rates for eighth-year flight engineers.

In arriving at the rate for flight engineers on the DC–8, the Board has relied mainly upon the differential between DC–8 copilot rates and the copilot rates on the other classes of equipment flown by Northwest. We believe that these intracompany comparisons provide a valid basis for the DC–8 rate recommended.

In the near future the Company will be introducing the B–720 aircraft into scheduled service. The Board has arrived at a recommended top rate for flight engineers on this aircraft largely on the basis of

the discussions during negotiations, in the course of which certain differentials in rates between the B–720 and the DC–8 were contemplated by the parties.

The Board recommends that one-half of the dollar amounts of the proposed increase be effective as of July 1, 1960, and that the second half be made effective on July 1, 1961.

It is obvious that the foregoing recommendations do not purport to be a precise or rigid formula. Rather, they are designed to provide a flexible framework within which the parties may bargain, giving such weight to the other contract issues as may seem appropriate. They do not represent a fixed judgment by this Board that the proposed rates, and only those rates, should be adopted.

Machinists Proposal No. 29

Section 19. *Hours of Service.*—Amend paragraph a. to provide reduced flying hours.

Present Federal regulations and the Agreement permit scheduling of flight crews for a maximum of 85 hours per calendar month on domestic service and 255 hours per quarter on international service. The Union proposes that on turbojet aircraft the maximum number of flying hours per month be reduced to 70.

The Union's proposal is based on the claims that the faster speeds of turbojet aircraft will require flight crews to make more trips per month, increase the fatigue factor during flight, and reduce the amount of time previously available for rest and relaxation. The Union has placed great emphasis upon a recent article in *Aviation Week*, reporting on current, and as yet uncompleted, research on fatigue problems of engineers on turbojet aircraft. It also relies upon an arbitration award in a case involving the flight stewardesses on Trans-World Airlines, granting a reduction in hours on turbojets from 85 to 78.5 per month.

The Company points out, quite reasonably in our opinion, that research on fatigue associated with flying jet aircraft is still in the preliminary stages, and that any conclusions based upon the speculative and undocumented article relied upon by the Union would be premature. One of the Company's principal witnesses also observed that although flying on jets may be more fatiguing, hour for hour, than on piston aircraft, it is less so on the shorter runs over a monthly period, because it permits more regular rest at home between trips.

We also agree with the point made by the Company with respect to the TWA arbitration award, namely, that the grievants in that case were women whose request for reduced flying hours was based upon rather special considerations. In our judgment, therefore, the reduction of hours awarded in that proceeding should not be considered as a precedent to be followed in this case. Further experience

may well provide evidence to support the Union's position, but at the present time such evidence is lacking, at least in the record made before us.

Recommendation

The Board recommends that Machinists Proposal No. 29 be withdrawn.

Machinists Proposal No. 15

Section 13. *Standby pay.*—Amend Section 13 by removing the words "at the domicile of the flight engineer involved."

The existing language of the Agreement provides generally for a payment of 1 hour of flight pay for each 6-hour period of delay whenever a flight engineer reports to the airport at his domicile and the trip is delayed more than 2 hours. The Union's proposal seeks to extend this standby provision to cover all delays at the inception of flights, regardless of whether such delays occur at the flight engineers' domiciles or elsewhere.

The Union states that it intends this standby pay provision not primarily as a pay increase measure but rather as a penalty device which it is hoped will stimulate greater efficiency on the part of the Company in giving advance notice of impending flight delays or cancellations. The Union witnesses testified that noticeable improvements in the advance notice procedure have occurred at the flight engineers' domiciles since the inception of this rule, and they seek to extend the stimulus to points other than the flight engineers' domiciles.

If, as suggested by the Union, long and unnecessary waiting periods at the airport can be avoided by the simple expedient of improved notice procedures, and if such improvements are stimulated by a penalty clause of this type, then the provision would seem to be a good one. No rebuttal to these Union contentions was offered by the Company. It follows logically that the provision could achieve a similarly beneficial effect and could be applied with equal validity to flight inception points other than the domicile of the particular flight engineer assigned. This would be true, however, only at locations where the Company ground staff is adequate to carry the intended burden. This point seems to have been recognized by the Union at one stage of the negotiation when it indicated a willingness to modify its proposal by limiting the application of standby pay to stations where flight dispatchers are located. Although the Union later withdrew this concession, we feel that the limitation as stated therein is fair and equitable and should be applied.

Recommendation

The Board recommends that Section 13 be amended by striking out the words "at the domicile of the flight engineer involved" and by adding the following sentence at the end of the section: "This section shall

apply only in the case of flight departures from locations where a flight dispatcher is stationed by the Company."

Machinists Proposal No. 11

Section 9. *Pay guarantee.*—Amend paragraph d. by (1) deleting the words, "on increment flight pay"; (2) providing that flight-time credit for each trip be computed at the rate of one hour for each two and one-half trip hours, if the scheduled flight time for the round trip is less than eight hours; (3) providing that minimum flight-time credit be computed on the basis of three hours and twenty-five minutes for any round trip with less than one hour's layover and four hours for any round trip with more than one hour's layover.

Machinists Proposal No. 28

Section 19. *Hours of service.*—Amend paragraph c. to read: "Trip Hour Credit. For each round trip scheduled for less than eight hours, a flight engineer shall receive as a minimum one (1) hour flight time credit for each two and one-half (2½) trip hours, prorated, as defined in Section 2, paragraph k."

Under the Agreement trip hours are paid for on the basis of 1 for 4: that is, 1 hour of flight time credit is given for each 4 hours away from home, starting from the time the flight engineer reports to work at his home station (1 hour before flight time on domestic flights) and concluding 15 minutes after block time of arrival at his domicile for minimum required rest. The provision is applicable only to engineers "on increment flight pay," which means those with 2 or more years of service as flight engineers with the Company.

The Union concedes that the one-for-four formula "works very well" in the majority of instances and becomes unsatisfactory only when the scheduled flight time is relatively short—e.g., 3 or 4 hours—and the layover time is substantially longer—e.g., 8 to 12 hours. In the latter situation, the Union asserts, the engineer must work approximately 6 days a week almost continuously in order to accumulate his maximum monthly flight hours. Items (2) of Machinists Proposal No. 11 is designed to alleviate this alleged problem by providing for more rapid accumulation of flight time credit on relatively short flights. Item (3) is intended to serve the same purpose and to encourage tighter scheduling and shorter layovers.

The Union also advises that the distinction between flight engineers who are on increment flight pay and those who are not is meaningless in this context, because the flight time credits based on trip hours are built into the schedules, regardless of which category of engineer flies them. Thus, the past practice has been to allow flight-time credit based on trip hours even to engineers who do not receive flight increment pay. Item (1) of Machinists Proposal No. 11 is simply intended, therefore, to conform the language of the Agreement to past practice.

Machinists Proposal No. 28 has no other purpose than to make the language of the Agreement internally consistent. Substantively, it adds nothing to Proposal No. 11.

The Company opposes items (2) and (3) of Machinists Proposal No. 11 on the ground that they are novel, costly, and unnecessary. According to the Company, some of the short and allegedly undesirable flights are bid as a matter of preference by engineers with sufficient seniority to exercise a wide choice of schedules. The Union's proposed formula of 1 hour of flight credit for each 2½ trip hours on scheduled flights of less than 8 hours is, according to the Company, not in effect anywhere in the airlines industry. It estimates the additional annual cost of this formula at over $30,000.

We are not convinced on the basis of this record that the present formula of 1 for 4 is inequitable, even on shorter flights. On the other hand, the Company has presented no objection to item (1) of Machinists Proposal No. 11, and we think it should be adopted.

Recommendation

The Board recommends that the words, "on increment flight pay," be deleted from Section 9, paragraph d., and from Section 19, paragraph c., and that the remainder of Machinists Proposals No. 11 and No. 28 be withdrawn.

Northwest Proposal on Pay Guarantee

Section 9. *Pay Guarantee.*—Amend paragraph d. to read: For each trip, a flight engineer on increment flight pay shall receive, as a minimum, flight pay at the rate of one (1) hour for each four (4) trip hours, prorated, as defined in Section 2, paragraph k., at applicable rates. The difference between the flying pay earned during such period and the minimum pay provided in this paragraph shall be computed for day and night hourly pay purposes as an extension of the final portion of the last trip flown during such period. When a flight engineer has commenced the series of flight to which such minimum pay is applicable in one calendar month or calendar quarter, having been scheduled to return to his domicile on a trip for which the time for pay purposes would have been credited in the same calendar month or calendar quarter, returns to his domicile on a trip for which the time for pay purposes is credited in the following calendar month or calendar quarter, the minimum pay provided in this paragraph shall be credited as follows: (1) In the month in which the flight engineer commenced such series of trips up to the maximum allowable monthly or quarterly hours of service limitations. (2) The balance, if any, of such minimum pay shall be credited to the following calendar month or calendar quarter.

The foregoing proposal is designed to deal with a problem created by that portion of paragraph d. which provides that the difference between flight pay earned during a given period and the minimum trip-hour pay provided under the Agreement shall be computed as an extension of the final portion of the last trip flown during such period.

The problem, which is more likely to occur in international rather than in domestic operations, arises when a given trip, or series of trips, which begin in 1 month terminate in the next month. For example, a flight which begins in June and is scheduled to terminate

on June 30 may, for various reasons, actually terminate on July 2. Paragraph d., as presently written, requires that all the trip-hour time that the engineer has accrued on that trip or series of trips be applied in the month of July, rather than in June, as originally planned. According to the Company, this requirement has the undesirable consequence of reducing the engineer's flight availability in July and necessitates a rearrangement of his previously prepared flight schedule (and therefore those of other engineers) for that month. If adopted, the Company's proposed amendment would permit, in this type of situation, the crediting of the trip-hour pay up to the maximum allowable monthly or quarterly hours for the month or quarter in which the trip or series of trips began; the balance, if any, would be credited to the following month or quarter.

The Union's objection to this proposal appears to be based on the contention that it would reduce the minimum monthly or quarterly pay which the Company guarantees to each flight engineer. In our opinion the Union's contention is not correct. The Company's proposal would, under certain limited circumstances, permit it to substitute trip-hour pay for minimum guarantee pay; but it would reduce neither the amount of monthly or quarterly pay guaranteed by the Company nor the engineer's total compensation.

Recommendation

The Board recommends that the Company's proposal on this issue be accepted, subject to the previous recommendation that the words, "on increment flight pay," be deleted from the first sentence.

D. MEAL ALLOWANCES

Machinists Proposal No. 19

Section 15. *Expenses.*—Amend by providing for an increase in domestic and foreign meal allowance.

Machinists Proposal No. 20

Section 15. Amend paragraph b. (1)(a) to read: "For the purpose of this Section, duty away from base station shall commence at the time of reporting for duty at the base station and end 15 minutes after the block arrival at the base station."

Machinists Proposal No. 21

Section 15. Amend paragraph b. (1)(d) to provide a meal allowance will be granted to flight engineers reporting or released from duty at their base station if such departing or arrival occurs during the meal period. Delete the last sentence of paragraph b. (1)(d).

All of the foregoing proposals deal with the matter of meal allowances for flight engineers.

Section 15 of the Agreement provides, among other things, for allowances for meals on domestic and foreign flights. Machinists

Proposal No. 19 requests that such meal allowances in each instance be increased in the amount of 50 cents.

The Union contends that such an increase is justified because meal costs have increased since the present schedule of allowances was negotiated. The Company's position is that present meal allowances are adequate, and that there have not been sufficient increases in meal costs to justify an upward revision in meal allowances.

The Union offers very little evidence to support its request for the addition of 50 cents to each meal allowance. There is no showing in the record that present allowances are inadequate. It should be noted also that the schedule of meal allowances in the Agreement is the same as the corresponding allowances in the Company's contracts with other flight personnel.

Paragraph b. (1) (a) of Section 15 in the present Agreement reads as follows:

> For the purpose of this section, duty away from base station shall commence at the time of block departure from the base station and end at the time of block arrival at the base station.

A comparison of the sentence quoted above in Machinists Proposal No. 20 with the one in the present Agreement reveals that what is being requested is a substitution of "time of reporting" for "time of block departure," and "15 minutes after block arrival" for "time of block arrival." (Par. b. (1) (a) applies only to the allowance for a midnight snack.)

The Union urges that this request be approved in order to correct a situation which often is inequitable for the flight engineers. It points out that the man is on duty and working after he has reported for work, and should be entitled to a midnight snack even though his flight does not actually leave the block within the specified period. Likewise, after arrival at his base station, he may be held on duty for 15 minutes. Therefore, the Union urges, if he is so held, he should be entitled to a midnight snack, provided he otherwise meets the time requirements.

The Company objects to this proposal by the Union. It argues that there is no real necessity for it; that it is simply a disguised way of securing additional compensation.

The evidence before the Board does not support the request of the Union on this matter. There is no showing that any real inequities result from the present arrangements. Furthermore, there is no indication that time would permit a midnight snack in the period between reporting for duty and the actual departure of the flight, since the flight engineer would be on duty preparing for the departure of the flight.

Paragraph b. (1) (d) of Section 15 in the present Agreement reads:

Meal allowances will be granted in accordance with paragraph (b) of this section to flight engineers arriving at this base station if such arrival occurs during a meal period. No meal allowance will be paid to flight engineers departing from their base station during the stipulated period.

Machinists Proposal No. 21 is related to Proposal No. 20 and is consistent with the request made in that issue. The effect here would be to provide a meal allowance for a flight engineer reporting for duty during the meal period, as well as for the flight engineer arriving at his base station during the meal period, as the present Agreement provides.

The parties present essentially the same arguments on this issue as on Machinists Proposal No. 20.

The Board has no convincing evidence before it which would support the instant request. There is no showing that the present practice is inequitable. Furthermore, the present provision with respect to flight engineers is consistent with the corresponding provisions in the Company's contracts with other flight personnel. To support this request would be to upset the established relationship among the various groups of flight personnel.

Recommendation

The Board recommends that Machinists Proposals No. 19, Nos. 20 and 21, be withdrawn.

E. VACATIONS

Machinists Proposal No. 25

Section 17. *Vacations.*—Amend Section 17 to provide additional vacation accrual as follows:

Flight engineers who have completed 20 years of service with the Company shall accrue additional vacations for each month of service after 20 years at the rate of seven-twelfths days for each month of service following his anniversary date.

The Union proposal, if adopted, would give an additional week of vacation to flight engineers after 20 years of service with the Company. The only presentation to the Board on this point by both the Union and the Company consisted of certain exhibits which compared the present vacation periods of Northwest flight engineers with the vacation periods of certain other personnel on Northwest and on other air carriers. Union Exhibit 28 lists vacation periods of ground mechanics on Northwest Airlines and 17 other carriers, both domestic and foreign flag. Two of the domestic carriers allow 4 weeks after 20 years and 1 of the foreign flag carriers allows 4 weeks after 12 years. The maximum allowance on the others is a 3-week vacation period, although the Union points out that it is seeking the 4-week provision in current or approaching contract negotiations for ground mechanics.

Company Exhibit 106 on this point lists the current vacation allowances of certain other employee groups on Northwest, such as the pilots, navigators, and cabin attendants. This exhibit generally indicates that the flight engineer allowance is identical with that of the other groups, except that pilots get 22 days after 10 years, as compared to the 21-day period for the flight engineers.

Company Exhibit 107 lists various allowances to flight engineers on 11 other domestic trunk line carriers. This shows some minor variations but indicates in general a closely similar vacation allowance structure.

We feel that of the comparisons submitted on this point the most legitimate and pertinent is the one last referred to above, namely, that of the Northwest flight engineer vacation allowance and those of flight engineers on other domestic trunk line carriers. This judgment is based upon our belief that the type of work performed and the hours of work scheduled in the particular craft or unit should be important factors in the negotiation of annual vacation allowances, and further, upon the consideration that the Company's economic problems vis-a-vis its competitors can best be observed by a comparison with similar job classifications on those airlines.

Turning to this comparison, as made possible by Company Exhibit 107, we do find data which indicate that a moderate increase in the vacation allowance is warranted. Some airlines, and more specifically those whose route structures aline them as principal competitors of Northwest, have escalation provisions in the vacation clauses of their flight engineer agreements which grant a slightly more generous allowance all the way up the scale, culminating in a 23-day allowance after 12 years. In the light of these facts we feel that the recommendation which we shall make is a reasonable one providing a reward for longer service within the economic limitations imposed by the Company's competitive position in the industry.

Recommendation

The Board recommends that Section 17 be amended to provide additional vacation accrual as follows: flight engineers who have completed 15 years of service with the Company shall accrue additional vacation for each month of service after 15 years at the rate of one-quarter of a day for each full month of service following his anniversary date.

Northwest Proposal on Vacations

Amend Section 17 to provide for the liquidation during the first 2 years of service as a flight engineer of vacation credit accrued in other classifications with the Company.

In the selection of flight engineers by Northwest, preference is given to employees of the Company in the mechanics classification, and

almost all of the present flight engineers have come up through that route. When a man is selected from the mechanics group and becomes a flight engineer, he may have some vacation which was accrued but not liquidated while he was a mechanic. Under present procedures this man can then retain such accrued vacation indefinitely and liquidate it at any time he desires during his future employment with the Company. This procedure has financial implications which form the basis for the Company's objections. The vacation is accrued and earned at the mechanics' rate of pay, which at the present time is approximately $520 per month. Taking an extreme example, he could then retain this accrual for 9 years, and assuming he is then a flight engineer, on the L–188 in international service, he would be earning $1,186.08 on the present scale and could liquidate his accrued vacation at that rate of pay.

This particular vacation accrual problem arises only when a man moves from the mechanics' classification to the flight engineers. A certain amount of accrual is allowed within the mechanics' agreement but regardless of how long the man retains it, as long as he is still a mechanic, his pay rate will not vary substantially. So too, vacation accrued by a flight engineer while under the flight engineer's agreement must be promptly liquidated, so an extreme pay increase in the interim cannot materialize.

The Company proposal would require the mechanic who becomes a flight engineer to liquidate this vacation accrual within the first 2 years as a flight engineer. This would avoid the extreme wage differential illustrated above, since the ground mechanic's rate is presently approximately $520 per month, and a flight engineer receives $525 per month in the first year and $585 per month in the second year.

The Union complains that the Company proposal in some instances would result in the employee having to take a vacation at a lower rate of pay than that at which it was accrued. This could occur in the case of a mechanic serving as an instructor or crew chief, since these particular jobs within the mechanics' classification call for a pay rate higher than the mechanics' base pay of $520. If a crew chief were making approximately $600 per month and then became a flight engineer, his pay rate during the first and second years under the flight engineers' agreement would be somewhat lower than the rate he was making as a crew chief. If he were then required to liquidate his accrued vacation during the first 2 years under the flight engineers' agreement, a small loss could result.

We believe that the extreme increase in the value and cost of the mechanic's accrued vacation, as illustrated in the first example above, is a situation which was not foreseen or contemplated by the parties at the time the present combination of contracts was negotiated. As

both parties point out, it is a problem unique on Northwest, due to the fact that the IAM represents both ground mechanics and flight engineers and all flight engineers have moved up by agreement from the mechanic classification. The procedure in its extreme application results in a windfall to the employee and an undue burden on the Company. In our judgment the following recommendation will equitably correct the situation by relieving the Company of the possibility of the extreme increase in pay and also protect the employees against any possible decrease as feared by the Union.

Recommendation

The Board recommends that an amendment to Section 17 should be drafted which will provide the following: (1) compulsory liquidation, during the first 2 years of service as a flight engineer, of all vacation credit accrued from other classifications within the Company; (2) employees, within the limitations imposed by the Company's operating plans and schedules, shall have the right to select the vacation time they desire for the liquidation of such accruals; and (3) that they shall receive as pay during such period the rate of pay they are receiving at the time the vacation is taken, or the rate of pay they were receiving at the time such vacation was originally accrued, whichever is higher.

F. PROBATIONARY PERIOD

Northwest Proposal on Seniority

Section 20. *Seniority.*—Amend paragraph j. to read:

Flight engineers may be on probation for a period not to exceed the first twelve (12) months of their service as a flight engineer with the Company.

The Company argues that it needs a minimum of 12 months to "evaluate and judge" a flight engineer's capabilities, largely because it cannot maintain a constant supervision of flight personnel and cannot rely exclusively upon the observations and reports of the engineer's fellow crewmen. The Company also cites the limited availability of supervisory personnel for check flights as another reason for the proposed 12-month probationary period.

The Union objects to the proposed amendment on several grounds. It points out that flight engineers typically serve a probationary period in the mechanic classification, and that they are carefully screened and trained before being permitted to carry out the functions of the job. Under these circumstances, the Union argues, a 6-month probationary period for engineers with less than 2-years' service in the mechanic classification is sufficient. The Union emphasizes that it has no right to invoke the grievance procedure of the Agreement on behalf of a probationary employee who is disciplined, demoted, or dismissed, whereas the Company may always take action against any

employee for cause. This is another compelling reason, according to the Union, why the probationary period should be held to a minimum.

The evidence of probationary periods in the airline agreements adduced by the parties is not conclusive. Moreover, much of it is inapposite, since all airlines have not recruited their flight engineers almost exclusively from the ranks of their own mechanical employees, as Northwest has done.

Our review of the evidence convinces us that paragraph j. should be amended, but not to the extent proposed by the Company. As presently worded, the provision precludes any probationary period for flight engineers with more than two years' previous service in the mechanic classification. We believe this rule is too restrictive, for no matter how satisfactory an employee has been as a mechanic, and regardless of how carefully he may have been screened and trained before assuming his duties as a flight engineer, his true capabilities in the latter classification cannot be determined until he is actually working on the job. On the other hand, we feel that a period of 6 months should be sufficient for this purpose.

Recommendation

The Board recommends that the second sentence of paragraph j. be amended to read:

Flight engineers with more than one year's service in the mechanic classification may be on probation for a period not to exceed the first six (6) months of their service as a flight engineer with the Company.

G. LAYOFF NOTICE AND SEVERANCE PAY

Machinists Proposal No. 43

Section 30. *General.*—Amend paragraph d. to provide that flight engineers to be laid off will receive thirty days notice in writing. Any flight engineer with less than five (5) years longevity and unable to exercise mechanics seniority rights shall receive a cash payment of $1,000.00.

In this request the Union asks that Section 30 of the Agreement be revised in two respects. First, the length of layoff notice will be increased from 2 weeks to 30 days. Second, when a flight engineer is laid off under the circumstances specified in the request, he shall receive a cash payment of $1,000 from the Company. The present agreement specifies that the Company shall give 2 weeks' notice prior to layoff. There is no provision in the current agreement regarding a cash payment in the event of a layoff.

The Union asks that 30 days' notice of layoff be given so that the employee will be in a position to make his personal plans more adequately. It argues that this would be of value to an employee about to be laid off, and would impose no hardship upon the Company, since it must plan at least 30 days in advance anyway.

The Union ask that a flight engineer who is laid off, who has less than 5 years' longevity, and who cannot exercise mechanics' seniority, be paid $1,000 in cash each time he is so laid off. It contends that this is desirable in order to provide the employee with some degree of security during the period of layoff. It points out that on Pan American World Airways the flight engineer is given 75 days' notice of layoff and paid $1,600 when he is so laid off.

The Company objects to the request that 30 days' notice of layoff be given because the present requirement of 2 weeks' notice is standard for all flight crew members, and that to grant the request for flight engineers would give them an advantage over other flight crew members. It points out also that 2 weeks' notice for flight engineers is the period most frequently used in the airlines industry.

With respect to the Union's request that the flight engineer who is laid off be given a cash payment of $1,000, the Company states that there is no comparable practice in the industry. It points out that the one cited instance of such payment on Pan American is apparently a temporary one. The Company's position is that there is no justification for the proposal.

The record shows that with respect to advance notice of layoff, all flight groups on Northwest receive 2 weeks' notice. On other trunk air carriers the practice with respect to flight engineers varies. On seven of the trunk air carriers the collective bargaining agreement contains no provisions on the matter, although it is understood that in most, if not all, instances the companies, as a matter of policy, give 15 days' notice. On three of the trunk air carriers the collective bargaining agreement provides for 30 days' notice for flight engineers, while two provide for 15 days. Pan American appears to have an interim agreement which specifies 75 days' notice.

In view of the fact that flying schedules are made up well in advance, the giving of 30 days' notice would appear to be practical and reasonable. Except in cases of emergency, the Company would be able to give such notice without difficulty. Such notice would be of benefit to the flight engineer who must make his personal plans as he faces layoff.

There appears to be no support in industry practice for the request of a cash payment of $1,000 in the event of layoff. Except for an interim agreement on Pan American, there is no instance where such payment is made in the event of layoff. The Union's request contemplates that such payment would be made to a flight engineer, meeting the conditions specified, each time he is laid off. We find no support in the record for this request.

Recommendation

The Board recommends that the Union's request for 30 days' notice prior to layoff be granted. It also recommends that the Union's re-

quest for a cash payment of $1,000 to laidoff flight engineers be withdrawn.

H. UNION SECURITY

Machinists Proposal No. 48

Add new subparagraph to Section 30 establishing a union shop and dues check off procedure for flight engineers.

The Union has never had any union security provisions of any type in its contract with Northwest. It concedes that it has had no difficulties with so-called "free riders" in the past but indicates a vague fear of possible future difficulties. The only evidence submitted on this issue is Union Exhibit 44 dealing with the union-shop and dues check-off provisions of various other airlines in contracts with mechanics and other ground personnel. There was no evidence submitted to indicate that contracts between the other carriers and their flight engineers contained such provisions.

If the recommendations of this Board with regard to preferences for the third seat on turbojet aircraft are effectively implemented by all the parties in good faith, we do not foresee any problem of union security arising in the future any more than it has in the past. Furthermore, the cross listing on seniority lists and other aspects of the solutions recommended might become unduly complicated if a union-shop clause should be included in this Agreement.

Recommendation

The Board recommends that Machinists Proposal No. 48 be withdrawn.

V. CONCLUSIONS

As previously stated, we believe the foregoing recommendations provide the basis for an equitable settlement of the matters in dispute between the parties in the instant case. This conclusion is based, of course, on the expectation that the parties will meet their responsibilities and exercise initiative and ingenuity in developing, and perhaps, modifying the proposals advanced by the Board.

We also wish to reemphasize the point made at the outset of this Report, namely, that the instant dispute is related in some material respects to the broader issues confronting the airlines industry as a whole, which are treated in the Report submitted by the President's Commission on the Airlines Controversy. We believe that each of the parties to the dispute in the instant case has an obligation to refrain from taking any step which might jeopardize the negotiations that are being simultaneously undertaken by the carriers and the unions to whom the Report of the President's Commission is addressed, at least for the period during which the Commission's recommendations are under active consideration by the parties.

Finally, we remind the parties, of the interest which the public has in a peaceful settlement of this controversy, and we urge them to find some solution to their difficulties so that it will be unnecessary to consider any compulsory means of settlement by governmental dictation.

Respectfully submitted.

PAUL N. GUTHRIE, *Chairman.*
PAUL D. HANLON, *Member.*
BENJAMIN AARON, *Member.*

Dated, Washington, D.C., May 24, 1961.

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