



BLUE NOTES



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Risk Shifting

Delta loves to blur the line between profit sharing and base pay. When discussing compensation, they always try to combine the two. However, base pay and profit sharing deserve to be addressed individually, not combined. Here's why:

Delta is engaging in "risk shifting." By merging base pay and profit sharing, Delta is transferring the financial risk from the company onto employees. While this may be a smart business decision in protecting the company, we deserve the security of year-round stability.

Base pay plays a major role in calculating retirement benefits, social security, and future wage increases. Profit-sharing payouts do not contribute to long-term earnings growth in the same way. This means that a higher base pay sets employees up for better financial security in the future, while profit sharing offers a short-term bonus.

So yes, Delta loves to combine the two. However, we deserve - and have earned - the right to a contract with industry-leading base pay. At the end of the year, if our contribution results in a healthy profit, the profit-sharing bonus will be appreciated. ■

I Have To Ask

Does the supposed industry leading pay raise also come with better health care, job protections, work rules not changing on a whim, more vacation time, proper staffing, the elimination of the continuing growth of the 20 hour line, and the removal of the social security offset for those with a piece of the old pension? I don't think so. I don't want to make less pay than workers at an airline that makes less than a third of what we make in profits. We should be leading the pack in all categories by leaps and bounds. ■

Industry Leading Profits – But Pay, Benefits and Work Rules? Not So Much

Financial results for the September quarter are out. Here are some key points made by Delta CFO Dan Janki:

"For the year, we are on track to generate more than \$5 billion of pre-tax income, which we expect to represent nearly 50% of the industry's profitability."

"Our industry-leading results are possible because of your hard work taking care of our customers..."

"We are focused on finishing the year strong and are positioned to deliver one of the most profitable December quarters in our history..."

Here are some takeaways:

Report after report, Delta correctly credits employees for our hard work in securing their consistent, industry-leading profits. They also clearly have the financial capability to reward us with industry-leading base pay, yet there's a disconnect between profitability and our base pay compensation.

Delta even acknowledges that future bookings are exceptionally strong, meaning we will face even greater workloads. This only reinforces the urgency of addressing

compensation improvements now, as there's no reason to delay. Other airline workers, thanks to their unions, already enjoy industry-leading pay. With Delta's financial strength and the increasing demands we're about to face, it's clear that there is no justification for us to continue lagging behind our competition - It's time for us to lead.

Friends, it's time to unionize and we need your card to be current! I'm current, are you? ■

Hot Topics at ATL Corporate ALA Meeting

They definitely do not want us to be unionized..... a lot was spoken about how we are much better off without a union. "We have direct access to leadership, and we do not need a middle person to speak for us in an open door policy workplace."

Ed Bastian is retiring, and we must "look ahead to finding a replacement."

A pay raise is coming "soon" to compete with American.

Updates on scanners to "fill out all required paperwork."

And finally, the long awaited app to access MPS on your phone as an app and finally be able to submit last minute swaps.

All of this was offered in strict secrecy, which of course is untrue. They know that none of this will be held in secrecy. Their hope is that rumors of raises, profit sharing and an MPS app will slow our union movement. Don't fall for it. ■

Retirement Comparison

Definitely Not Industry Leading

Years Worked	Monthly payments over 20 years Delta 401k	Monthly payments over 20 years United pension + 401k
10	\$433.11	\$949.09
15	\$746.08	\$1,489.93
20	\$1,256.90	\$2,091.83
25	\$1,940.41	\$2,746.81
30	\$2,881.40	\$3,472.80

Here is a table that assumes a full 401k contribution and match, average 6% growth year over year, and a 20-year retirement. These are the monthly payments that could be expected for a worker from Delta and United.

Most people do not think about retirement when they start working, so here is some basic information.

There are two common types of retirement plans: 401(k) and pensions. A 401(k) is typically funded by contributions from both the worker and the company with a set percentage match that depends on a healthy stock market to grow (examples include the 2008 crisis when 401(k)'s lost 32% of their value, or in 2022, they lost 20.5%). On the other hand, a pension plan is one where the company contributes a set dollar amount into a worker's account for each hour worked; this translates into a guaranteed monthly payment. For example, United contributes \$2.05 for each hour worked, which results in a retired worker

receiving \$89 per month per year of service. Because the worker does not need to contribute to it, that means more money stays in their pocket each paycheck.

The retirement plan for Delta workers is a 401(k) plan. We are offered a 6% match combined with a 3% automatic contribution, totaling up to 15%. This falls behind the only other major airline to offer a 401(k)-only option, Southwest. They offer a 10% match that equals 20% when combined with the employee's contribution. Even in the Delta family, we fall way short. In 2024, the pilot's union contract provides a 17% contribution by the company, with no employee contribution. Can you imagine how different your retirement and income could be if you had 17% of your pay stay in

your pocket and 17% of your income was still put into your 401(k)?

Both United and American offer a combo retirement of a pension and 401(k). For example, along with United's pension plan, they also offer a 401(k) plan that has a 3% match. A 25-year worker who retires tomorrow would receive \$2,225 each month for their entire retirement from pension alone. That passes projections of what a Delta worker would receive from their 401(k)-based retirement, and once you add in additional 401(k) plans offered by United and American, they could receive between \$700 and \$1,000 more each month than a Delta worker with the same seniority. ■



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