

LABOR NEWS

Union Update

First U.S. Helicopter Pilot Strike Union-busting seems to be the MO at PHI.

Not all the worst tales of corporate greed and management hostility toward pilots take place at airlines. Pilots of a helicopter operation are on strike to defend their profession.

A month-old strike, a near standstill in operations, an estimated loss of revenue of \$1 million or more per day, and a growing list of strike supporters still haven't moved the management of helicopter operator PHI to call the officers of OPEIU Local 108 back to the table. Local 108 is not on strike for outrageous pay demands beyond the reach of the company, but something more fundamental—the right to exist.

PHI Inc., based in Lafayette, La., and formerly known as Petroleum Helicopters, Inc., is a helicopter operator employing about 550 pilots in two sectors—flying offshore oil and gas workers in the Gulf of Mexico and air medical patients in 15 states. The PHI pilots joined the Office and Professional Employees International Union in 2001. Negotiations for their second CBA with management began in 2004 and dragged on fruitlessly for 2½ years as the union called for vacation and work-over language and retroactive pay. The union was released from mediation on July 28.

On Wednesday, September 20, just over 3 weeks after the 30-day cooling-off period ended and after more of the same management disregard for the union's push for a CBA, the union declared a strike against PHI. Management is allegedly rewarding scabbing pilots with salaries that would amount

to \$213,000 annually, belying management's claim that granting the PHI pilots retroactive pay would cause a financial tailspin. That management refuses to negotiate noneconomic items supports the notion that it prefers a dictatorship to a CBA.

The quality of life for a PHI pilot is abysmal. PHI pilots have had much-needed vacations denied or revoked and have been forced to work mandatory overtime schedules. Management has been unwilling to commit to vacation and overtime language in the revised CBA, and the PHI pilots have shown that they are willing to walk because of that. The group is frustrated with an employer that keeps them from life events that can't be relived—some PHI pilots have been subject to canceled vacation time that caused them to miss their daughters' weddings.

Many operators like to point to a he-

sive work schedules is that today's helicopter pilots work in an industry in which compensation is not commensurate with risk, so they are leaving to pursue other professions.

"Operators," he writes, "have misread the shortage as a lack of qualified pilots, when in reality it is a lack of pay and benefits worthy of the pilots who are putting it on the line every day." Helicopter operators, he adds, must "come to the realization that they are competing with corporate America for the services of well-qualified individuals who have options in life. They are not competing just against each other for pilots. They are competing against other professional choices available to pilots."

In the 3 weeks between the time the strike began and early October, when this was written, PHI had built a collection of violations of the Railway La-



Striking Local 108 oil and gas pilots picket in front of PHI Inc. headquarters in Lafayette, La.

licopter pilot shortage as the reason for these working conditions, but some industry professionals argue that this is not the case. According to a recent article by Professional Helicopter Pilots' Association President Butch Grafton in *Autorotate*, the reason that today's helicopter pilots face oppres-

sive work schedules is that today's helicopter pilots work in an industry in which compensation is not commensurate with risk, so they are leaving to pursue other professions. Management also issued illegal threats and terminations. For scabbing pilots, management has also bent

several of its own company-imposed safety provisions, namely customer safety requirements. The FAA has been informed of these actions.

Management has illegally fired at least two striking pilots. John Strickland is one of the Local 108 Negotiating Committee members. According to him, during the 2½ years of his tenure, "I did not see negotiations on a single point during this time. Management never intended to negotiate with us. It intended to drag negotiations out to bust this union." He adds that PHI CEO Al Gonsoulin must accept the union's right to exist before any contract can be reached; a successful end to the strike, he says, "will be determined by the CEO

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I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil sanctions (including civil penalties).—Pete Janhunen, Assistant Director of Communications

Time Line of the PHI Strike

- **September 20**—Strike begins.
- **September 29**—PHI Chairman and Chief Executive Officer Al Gonsoulin sends a memo to employees saying the strike has had minimal effect on operations and "my answer to the union's rumors that this strike will cause us to downsize and/or lay off loyal employees is you can start believing the union when 'chickens grow lips.'"
- **October 12**—PHI releases a Form S-4 filing with the SEC, admitting the strike's disruption to operations was greater than previously disclosed. The filing states: "Although we are willing to continue to negotiate with the OPEIU, no such negotiations currently are taking place, and there can be no assurance that any such negotiations would be successful, or as to the terms of any agreement that may be reached.... A significant portion of our pilots are on strike, which could materially adversely affect our operations and financial condition, as well as our customer relationships."
- **October 19**—Mediator Jack Kane of the National Mediation Board sends a letter inviting both parties to meet

to resume public interest conferences to resolve the strike, requesting a response by October 24.

► **October 20**—Sen. Ted Kennedy sends a letter to PHI Chairman and CEO Al Gonsoulin, urging him to accept the NMB's assistance and return to the bargaining table.

► **October 22**—A PHI Sikorsky S-76 crashes into the Gulf of Mexico. The two crewmembers escape with minor injuries. A federal investigation is under way.

► **October 23**—OPEIU International President Michael Goodwin sends a letter to NMB Mediator Jack Kane accepting the NMB's invitation to resume negotiations.

► **October 23**—An employee memo from PHI Chairman and CEO Al Gonsoulin states that management rejects the NMB offer to meet to resolve the dispute.

► **October 23**—Expressing a concern for safety, Reps. James Oberstar (D-Minn.) and John Olver (D-Mass.) send a letter to FAA Administrator Marion Blakey requesting close monitoring of PHI operations during the strike.—C.J.

saying he is ready to negotiate."

Many pilots have already quit. A PHI competitor in the Gulf, Air Logistics, has already hired many of PHI's oil and gas pilots (Air Logistics' pilots are represented by OPEIU Local 107).

One former PHI EMS pilot based in Redding, Calif., quit a few days into the strike. He said working for PHI "was the worst year-and-a-half of my entire twenty-plus years' aviation career."

When asked why he quit, he said, "I won't have to work with a hostile management—they are so nasty that I would have taken a pay cut to work for someone else."

When he received notice that PHI had permanently replaced him at his base, he says, "At first I was shocked, but then I was relieved, knowing it was time to move on and find a better job ... which I did in less than three weeks."

Support for Local 108 has been coming from many sources, especially other unions that sympathize with their struggle and want to see them

succeed. In a letter sent on October 1 to the members of Local 108 from Troy V. Montanez, president of OPEIU Local 109, the union for the pilots of air medical helicopter operator Air Methods, he writes, "The helicopter industry is not a case study in the well-known decline of the labor movement in this country. Quite the opposite, it is an exceptional case study of a highly modernized, highly professional industry in which the operators have simply failed and/or refused to uphold the prevailing standards of modern professionalism that exist today."

The Local 108 strike has been noticed by helicopter pilots and operators around the world and will have a profound effect on PHI's reputation. Helicopter pilots today have many career options; the burning question is, will any of them want to work for PHI?

Donations to the Local 108 Financial Assistance Fund may be made by visiting www.local108pilots.org. —Cicely Jenkins, Web Coordinator