



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FOR IMMEDIATE RELEASE

Joe Reppert—Press Secretary

WEDNESDAY, DECEMBER 5, 1973

WASHINGTON, D.C.--FLOOR STATEMENT BY SENATOR BOB DOLE ON THE MORNING OF DECEMBER 5 on

the IMPACT OF THE TWA STRIKE AND THE AIRLINE MUTUAL AID PACT.

MR. DOLE. MR. PRESIDENT, It has now been nearly 30 days since the strike by Trans World Airlines cabin attendants first halted air service by that airline. Many who travel to Kansas City or other points across the country are painfully aware of the existing inconveniences. Passenger inconvenience is one thing, but more devastating is the economic impact of the strike felt by the TWA employees and the communities across the country served by TWA.

In Kansas City, for example, the reduction in the TWA payroll means a drop from nearly \$13 million per month before the strike, to approximately \$3 million per month at the present time.

Other inconveniences are numerous. There is a one day delay in mail going in and coming out of the Kansas City area due to the diminished air services. Passengers across the country must be re-routed if their flights depend on TWA connections. Cancelled business conventions in Kansas City and across the country have resulted in complications and decreased business activity for the convention cities.

The strike was called by the Transport Workers Union of America when they were unable, after 17 months of negotiations, to reach a contract agreement with TWA. There are, of course, significant differences between the demands presented by both sides, and while it would not be proper for me to intrude in collective bargaining, I am hopeful that an early settlement can be concluded.

I am, of course, aware of charges that the mutual aid pact existing between the airlines provides disincentives against real negotiations.

The Mutual Aid Pact is an agreement initially reached October 30, 1958, by six of the major airlines. Over the years the membership has grown to include nearly all major airlines and many local service airlines. Members consent to pay any party to the agreement who is being struck, certain amounts of money to cover the losses incurred during the strike, theoretically enabling the struck carrier to meet its capital and operating expenses during the strike period. Supplemental payments have been increased to as high as fifty percent of normal operating costs in recent years. Payments of this nature to TWA are alleged to be in the neighborhood of \$2 million per day.

Because of the Serious economic impact and the allegations that the existing airline Mutual Aid Pact provides disincentives which retard negotiations, I believe the matter deserves a review by Congress.

In an effort to determine whether the airlines Mutual Aid Pact is in fact, in or adverse to the public interest, I have requested that the Senate Commerce Committee hold hearings. In the meantime, I am hopeful that meaningful negotiations will continue and that a just settlement will be reached soon.

IMPACT OF THE TWA STRIKE AND THE AIRLINE MUTUAL AID PACT

MR. DOLE. MR. PRESIDENT, IT HAS NOW BEEN NEARLY 30 DAYS SINCE THE STRIKE BY TRANS WORLD AIRLINES CABIN ATTENDANTS FIRST HALTED AIR SERVICE BY THAT AIRLINE. MANY WHO TRAVEL TO KANSAS CITY OR OTHER POINTS ACROSS THE COUNTRY ARE PAINFULLY AWARE OF THE EXISTING INCONVENIENCES. PASSENGER INCONVENIENCE IS ONE THING, BUT MORE DEVASTATING IS THE ECONOMIC IMPACT OF THE STRIKE FELT BY THE TWA EMPLOYEES AND THE COMMUNITIES ACROSS THE COUNTRY SERVED BY TWA.

IN KANSAS CITY, FOR EXAMPLE, THE REDUCTION IN THE TWA PAYROLL MEANS A DROP FROM NEARLY \$13 MILLION PER MONTH BEFORE THE STRIKE, TO APPROXIMATELY \$3 MILLION PER MONTH AT THE PRESENT TIME.

OTHER INCONVENIENCES ARE NUMEROUS. THERE IS A ONE DAY DELAY IN MAIL GOING IN AND COMING OUT OF THE KANSAS CITY AREA DUE TO THE DIMINISHED AIR SERVICES. PASSENGERS ACROSS THE COUNTRY MUST BE RE-ROUTED IF THEIR FLIGHTS DEPEND ON TWA CONNECTIONS. CANCELLED BUSINESS CONVENTIONS IN KANSAS CITY AND ACROSS THE COUNTRY HAVE RESULTED IN COMPLICATIONS AND DECREASED BUSINESS ACTIVITY FOR THE CONVENTION CITIES.

THE STRIKE WAS CALLED BY THE TRANSPORT WORKERS UNION OF AMERICA WHEN THEY WERE UNABLE, AFTER 17 MONTHS OF NEGOTIATIONS, TO REACH A CONTRACT AGREEMENT WITH TWA. THERE ARE, OF COURSE, SIGNIFICANT DIFFERENCES BETWEEN THE DEMANDS PRESENTED BY BOTH SIDES, AND WHILE IT WOULD NOT BE PROPER FOR ME TO INTRUDE IN COLLECTIVE BARGAINING, I AM HOPEFUL THAT AN EARLY SETTLEMENT CAN BE CONCLUDED.

- MUTUAL AID PACT -

I AM, OF COURSE, AWARE OF CHARGES THAT THE MUTUAL AID PACT EXISTING BETWEEN THE AIRLINES PROVIDES DISINCENTIVES AGAINST REAL NEGOTIATIONS.

THE MUTUAL AID PACT IS AN AGREEMENT INITIALLY REACHED OCTOBER 30, 1958, BY SIX OF THE MAJOR AIRLINES. OVER THE YEARS THE MEMBERSHIP HAS GROWN TO INCLUDE NEARLY ALL MAJOR AIRLINES AND MANY LOCAL SERVICE AIRLINES. MEMBERS CONSENT TO PAY ANY PARTY TO THE AGREEMENT WHO IS BEING STRUCK CERTAIN AMOUNTS OF MONEY TO COVER THE LOSSES INCURRED DURING THE STRIKE, THEORETICALLY ENABLING THE STRUCK CARRIER TO MEET ITS CAPITAL AND OPERATING EXPENSES DURING THE STRIKE PERIOD. SUPPLEMENTAL PAYMENTS HAVE BEEN INCREASED TO AS HIGH AS FIFTY PERCENT OF NORMAL OPERATING COSTS IN RECENT YEARS. PAYMENTS OF THIS NATURE TO TWA ARE ALLEGED TO BE IN THE NEIGHBORHOOD OF \$2 MILLION PER DAY.

BECAUSE OF THE SERIOUS ECONOMIC IMPACT AND THE ALLEGATIONS THAT THE EXISTING AIRLINE MUTUAL AID PACT PROVIDES DISINCENTIVES WHICH RETARD NEGOTIATIONS, I BELIEVE THE MATTER DESERVES A REVIEW BY CONGRESS.

IN AN EFFORT TO DETERMINE WHETHER THE AIRLINES MUTUAL AID PACT IS, IN FACT, IN OR ADVERSE TO THE PUBLIC INTEREST, I HAVE REQUESTED THAT THE SENATE COMMERCE COMMITTEE HOLD HEARINGS. IN THE MEANTIME, I AM HOPEFUL THAT MEANINGFUL NEGOTIATIONS WILL CONTINUE AND THAT A JUST SETTLEMENT WILL BE REACHED SOON.

5024 Senate
53945 House

SENATOR BOB DOLE

PRESS RELEASE

TWA floor statement
12-5-73

	TIME	RECEIVED BY	COMMENTS
TOPEKA (913) 234-5654 AP KANSAS CITY (816) 421-4846 WICHITA (316) 263-4601	<i>12:05</i>		<i>Donna will take over</i>
JPI KANSAS CITY (816) 471-2070	<i>12:20</i>		<i>Richards</i>
TOPEKA CAPITAL (913) 357-4421 ROGER MYERS 783-3274	<i>cklec to Top</i>		<i>tried office cross galleries for Roger</i>
OC STAR (913) 371-1810 <u>JOE LASTELIC 298-7790</u>	<i>12:08</i>		<i>Read</i>
WICHITA EAGLE TELECO. (316) 268-6234 <u>LEE EGERSTROM 737-8627</u>	<i>12:00</i>		<i>ok</i>