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Airline Pilots Call Off Strike After Reaching Agreements With Aeromexico & Description (2014) With Aeromexico & Description (2014) With Aeromexico & Description (2014) Agreements (2014) Agreem

by Carlos Navarro
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On June 19, the Airline Pilots Union (Asociacion Sindical de Pilotos Aviadores, ASPA) reached new labor agreements with Aerovias de Mexico, the parent company of Aeromexico and principal partner in Mexicana. The settlements averted a potentially crippling strike, since Aeromexico and Mexicana are Mexico's two largest air carriers. ASPA had threatened to strike in mid-June if differences with Aeromexico over a collective bargaining contract, and with Mexicana over pilot layoffs, were not resolved. The conflict with Aeromexico began on May 14, when ASPA protested an Aeromexico decision to use non-union pilots on charter flights of its subsidiary Aeromextour from Mexico City to the northwestern city of Hermosillo, Sonora state. ASPA charged that the decision violated terms of a collective bargaining contract the airline had reached with the union in previous negotiations. But Aeromexico countered that the contract did not require use of unionized pilots for charter flights. However, under the new agreement brokered by the Labor Secretariat (Secretaria de Trabajo y Prevision Social, STPS) on June 19, the airline agreed to exclude non-union personnel as pilots on all of its flights. In exchange, ASPA leaders accepted new productivity-based contracts that will in effect increase the length of the work day for pilots, lower the percentage of overtime pay, and reduce the number of vacation days. Aeromexico pilots also agreed not to seek pay raises in the near term. In the case of Mexicana, the airline agreed to slow the pace of layoffs by modifying a plan to convert its fleet to aircraft that require fewer crew members. Under the modified plan, a smaller number of Boeing 727 airplanes, which require three crew members, will be substituted for aircraft which need only two crew members. The airline also agreed to allow ASPA greater input in administrative and operational restructuring at the airline in those cases where jobs of pilots are involved. In order to bolster its competitiveness, in 1992 Mexicana had decided to reduce its total work force by about 30%. In April of this year, the airline laid off 99 pilots. Prior to negotiation of the new agreement, Mexicana had planned to let go another 151 crew members by year-end. The threat of a strike came amidst one of the worst financial crunches in Mexicana's history. The airline's debt of 3.653 billion nuevo pesos (US\$1.115 billion) represents about 80% of the value of its assets, creating serious liquidity problems. Most of Mexicana's debt is owed to Mexican banks such as Banpais, Multibanco Mercantil, Banca Serfin, Bancomer, and Banamex. (Sources: Notimex, 05/19/93, 05/23/93, 05/30/93, 06/03/93; El Financiero International, 05/24/93, 06/07/93; La Jornada, 05/28/93, 06/11/93, 06/17/93, 06/19/93; Agence France-Presse, 06/16/93)

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