

Ivar's Presentation on May 31, 2012 - Fact and Fiction

Ivar's False Claim #1:

Part time employees: Ivar's: 28 hours, Unite Here: 30 hours

The truth:

Whether a union employee has access to benefits has nothing to do with full-time or part-time status in the airport union contract. Employees qualify for excellent full-family medical insurance if they work 80 hours per month, which is slightly less than 20 hours per week. Every hour worked for any union employee counts towards their pension. Part time or full time status only has significance because of a slight difference in overtime and shift-minimum rules.

Ivar's does not disclose what significance part-time vs. full-time status has for their employees, but we believe that Ivar's uses a threshold such as this to deny a number of benefits to a vast majority of their workforce by labelling them as part time.

Ivar's False Claim #2:

Overtime: Ivar's: 40 hours Unite Here: 40 hours

The truth:

Union members get paid overtime when they work in excess of 8 hours per day, 40 hours per week, or on a sixth day of work in a work week. On a seventh consecutive day of work in a work week, workers receive double the regular straight time rate of pay. The union contract's ensures that workers cannot be arbitrarily forced to work overtime.

Except for confirming that they obey state law by granting overtime after 40 hours of work in a work week, Ivar's does not disclose details about their overtime rules, but we believe they only pay overtime when required by state law, which for workers can mean long hours and sometimes work 10 days in a row, all without overtime

Ivar's False Claim #3:

Priority: Ivar's: Performance Unite Here: Seniority

The truth:

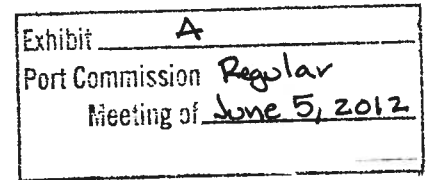
What an insult to the loyal, hard-working airport workers present at the hearing! They have dedicated their careers to providing excellent service to travelers and they are required to perform to high performance standards set by their employer.

Ivar's False Claim #4:

Health Insurance: Ivar's: \$480/month Unite Here: \$690/month

The truth:

Ivar's is failing to disclose that Unite Here members at the airport pay \$50 per month for full-family, high quality, no-deductible health insurance. For example, a married couple with three kids can have all five



family members on the insurance plan without extra cost. Also, the testimony given by Ivar's made clear that the \$480 insurance plan is for workers only, and does not seem to extend to family members.

Furthermore, Ivar's did not disclose how many hours their workers need in order to qualify for insurance benefits. Given our experience in the industry, it is very unlikely to be as low as the union's 80 hours per month. Additionally, Ivar's did not disclose the type of insurance they offer to workers (deductibles, etc), nor did they disclose how much workers have to pay in order to receive insurance for individuals, spousal and dependent coverage.

Ivar's False Claim #5:

Pension: Ivar's: \$1,250/year Unite Here: \$1,040

The truth:

The union contract provides a defined benefit pension plan. Ivar's does not indicate what kind of pension plan is provided to their employees. The figures presented by Ivar's are meaningless in determining the benefits retirees will actually receive.

Ivar's False claim #6

Start min: Ivar's: \$9:20-\$14 Unite Here: \$8.55-\$8.90

The truth:

Firstly, Ivar's claims that some union members make less than minimum wage. This is absolutely false. Secondly, they presented to you the minimum rates of pay (or starting wages) as the maximum wages union members can earn. This is a shocking distortion of the truth.

Starting wages at the airport range from minimum wage for tipped employees to \$14.08 for cooks.

Ivar's False claim #7

Maximum: Ivar's: \$20.56 Unite Here: \$11.36-\$14.08

The truth:

See above #6. What Ivar's claims as maximum rates are actually minimum or new-hire rates. Many long-term workers are entitled to significantly higher wages than spelled out in the contract's wage table. Furthermore, the contract also specifically spells out that employers can always pay higher wages to reward good workers.

Ivar's key omissions:

1. Paid Meal Break: The airport union contract provides workers with a paid half hour meal break. This results in an average 6.7% higher wage than non-union workers who do not receive the same benefit.
2. Union employers cannot intentionally prevent workers from qualifying for medical benefits by keeping their hours below the threshold hours needed to be eligible.
3. Ivar's did not disclose deductibles, co-pays, level of benefits, etc. for their medical plan. Hence, no comparison with the union medical plan is possible.