

# *Peanut Butter Jars and Labor Relations*



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*“If you want to raise the morale of the workforce you don’t necessarily have to give them anything. Merely taking something away and reinstating it later will have the same effect.”*

At the college I attended, more than 20 years ago now, we dined in a huge building—all 4,000 plus of us at once. Seating arrangements were 10 per table with a mix of all classes at each table. The seniors sat at the head of the table and the freshmen sat at the end. The peanut butter jars, of course, were somewhere in the middle.

We all liked the peanut butter jars—especially a new untouched one. The first person to delve into a “virgin” jar often did so with some ceremony. One day we arrived at lunch to discover the peanut butter jars were gone—replaced by little peanut butter packets. We were not happy.

A form was filled out by the freshmen at each meal. After checking the usual boxes—Fast, Neat, Average, Friendly, Good—they would inquire if any upperclassmen had any comments for the form. “We want the peanut butter jars back!” we screamed. Word quickly spread through the 400 plus tables and the write-in campaign was on. Three meals per day, over a thousand forms each day going in to whomever read them, demanding the return of the peanut butter jars.

About a month and 30,000 forms later, we arrived at lunch and, while milling around the tables prior to the announcements that preceded our dining, we noticed THE JARS WERE BACK! The crescendo of conversational noise in the huge hall was appreciably louder than normal as people took notice. We fell silent as the announcements from “the tower” began. The final announcement, appropriately, was simply “...and gentlemen, the peanut butter jars have returned!”

PANDEMONIUM! Four thousand guys cel-

ebrating like we’d just beaten Army and Navy in football on the same afternoon. Except for one guy. Standing to my left was Dave T., one class senior to me. Dave had this little grin on his face as he sadly shook his head while observing the raucous behavior of the student body. “What’s wrong with you?” I asked. His reply was something I’d never forget. “Look at everybody...so happy...yet we don’t have one thing we didn’t have a month ago.”

Dave, for some irrational reason, later chose to be an officer in the Marines, but I’ll never forget him as the author of what I later dubbed “The Peanut Butter Jar Principle of Management.”

The concept is simple. If you want to raise the morale of the workforce you don’t necessarily have to *give* them anything. Merely taking something away and reinstating it later will have the same effect.

As the MEC Grievance Chairman, I think of those peanut butter jars often. Sometimes I think my unofficial title should be MEC Peanut Butter Jar retriever. Things get taken away, like huge chunks of all-nighter lines for example, and I try to get them back.

There is another big lesson in that story: strength in numbers. If only a few had complained about the loss of the jars we would have never seen them again. It is odd, in retrospect, that such a seemingly trivial matter inspired such a unifying force in the student body. But it was that unity, all 4,000 strong, and perseverance by that group that carried the day.

Just recently I saw this principle in action here. In early June, Mr. Gangwal was invited to address the MEC. A few days prior to his arrival, a letter from Labor Relations arrived at

the MEC office requesting relief from certain contractual provisions. It was also around this time that the new scheduling system was implemented on the mainline with a few “peanut butter jars” missing. The collective disapproval of this pilot group was greatly impressed upon your MEC, who greatly impressed your dissatisfaction on Mr. Gangwal. They also told him they wouldn’t even consider one iota of relief until your concerns were fixed. They were fixed in four days. You folks make our job a lot easier when you stand together.

### Letter #44 Flex vs. Reserves

One of the fixed issues in June involved the “hit” some Reserve pilots took on their monthly pay whenever a flex month was declared. As you may remember, former Grievance Chairman Craig Skinner filed an MEC grievance on the abundant issues surrounding Letter #44 in late 1998. Subsequently, the majority of disputed issues were resolved in December and sent to all pilots as Crew Bulletin 98-23. The issue of a higher guarantee for Reserves, however, was not resolved at that time and the grievance was submitted to the System Board. The following agreement now satisfies our concerns and the grievance will be withdrawn:

#### *Flex Cap Pursuant to Letter of Agreement 44*

During a month in which the Company designates a Flex Cap on any equipment, each reserve pilot on such equipment shall be guaranteed the hours of pay equivalent to the sum of the previous three “full” months pay hours (i.e., for a pilot who is flexed in June, the months of February, March and April are considered the most recent previous three “full” months due to record keeping requirements), excluding pay no credit, vacation fly back, flex cap, and any other unusual pay items, divided by three. If no previous three-month history is available, the applicable guarantee will be used. If, in any of the previous three months a pilot claimed fifty percent or more of his scheduled duty days as sick or Occupational Injury or Illness, such months shall not be used in the calculation and a previous “full” month shall be used instead. However, no reserve pilot will be guaranteed pay hours in excess of the hours at which the pilot calls out of time, and no reserve pilot will be guaranteed pay hours in excess of the amount of flex applied to a line of flying for the month.

OK, now here’s what it means. We agreed that the Reserve Sick calculation found in Section 14(D) of the Agreement would be the model. To determine your pay guarantee you have to establish a three-month history that does *not* include flex months. You also don’t count the month *immediately* prior to the designated flex month as the pay for that month is not definitely known by the first day of the flex month in question. For example, the MD80 is flexed for August. You discount July for two reasons: it is a flex *and* the month immediately prior to the one in question. You take June, discount May (flex), take April, discount March (flex) and finally take February. You now average your pay for the applicable three months—February, April, June—minus unusual items like pay no credit, vacation fly back, etc. This number is now used as your three-month average for pay protection in August. Should you fall short of this number you may augment your pay by the amount of the flex increase (if they ever flex less than the allowed 5 hours, I’d be amazed) up to your three month average. The following examples may make this clearer:

#### Flex 5 Hours

Pilot	3 Month Average	Actual Pay	Claim	Final Pay
1	85	85	0	85
2	85	80	5	85
3	85	76	5	81
4	83	81	2	83
5	72	72 (guarantee)	0	72

Pilot #1 suffered no degradation in pay during the flex month. Therefore he has no claim. Pilot #2 lost five hours and is able to claim the flex amount of five hours to be brought back to his average. Pilot #3 loses nine hours and can claim the maximum of five hours for a net loss of four hours from his three-month average. For this pilot the flex has had an impact on his pay but the extra five hours softens the “hit.” Pilot #4 is two hours below his average so he can only claim two hours of the five flexed to get back to his average. Pilot #5 never broke guarantee in his three month average therefore the flex month has no negative impact on his “historical” pay. He still gets guarantee and has no claim.

Initially it was felt that the Reserve Guarantee should rise five hours during flex months. I feel this agreement is fairer to the Reserve as a

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whole. It rewards the pilots a greater amount than guarantee (plus five) who have a history of exceeding guarantee (i.e., pilots #1 through #4). It also avoids a “windfall” to a pilot who never broke guarantee anyway (pilot #5).

One other important reminder is that should you call “out of time,” your pay entitlements will be capped at that point. The Company agreed that Reserves could call out of time at 80 + 01, even during a flex month (which solved another Letter #44 issue), but obviously felt they shouldn’t have to pay an additional bonus to a pilot who makes this election. We agreed. So if you have an 85-hour average but call out of time at 81 hours you will be paid 81 hours and cannot claim an additional four.

This agreement is retroactive to the first flex month, December 1998. Unfortunately, you have to be proactive in getting paid. Claims Administration is unable to automate this pro-

cedure, therefore, you will have to research your three-month history, calculate your average and file a PE-39 for any applicable entitlements yourself. Should you not have the records to determine your pay in prior months, call Claims and they will give you the numbers, but you’ll still have to do the math and file your own PE-39.

### **OII and Disability**

An MEC grievance has been filed and heard by VP-Flying Captain Greg Gibson encompassing numerous Occupational Illness & Injury (OII) issues. Amazingly, I’ve discovered that many pilots are unaware that they possess an OII bank! Please read Section 16 of the Contract when you have a moment if you are one of these pilots.

Two important points: if you feel you have an occupational related injury, it is imperative that you notify your Chief Pilot as soon as possible. There is paperwork involved and the sooner you get the red tape started, the better off you’ll be. Also, as in all matters with the Company, write down who you talked to and when.

Second, if you are beginning to run out of sick leave and it appears you will need disability benefits (50% pay), get that process started a couple months before you feel you’ll need it. Again, there is more paperwork involved and if you aren’t proactive you may not receive the seamless pay transition that you would like.

### **Cancelled Trips**

The MEC grievance on the Company’s wholesale cancellation of trips (primarily all-nighters) was heard before Captain Gibson on July 12, 1999. I will keep you posted.

