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Gentlemen,

Following my meetings with each of you or your representatives yesterday, I wanted to outline the immediate steps we deem necessary for each of your airlines to take to provide improvements in the wages and benefits for the thousands of hardworking men and women working for your contractors and vendors to support flight and terminal operations at our airports.

The Port Authority's airports are a major economic driver for the entire region, supporting over 500,000 direct and indirect jobs, \$26 billion in wages, and \$72 billion in economic activity. The Port Authority and the airlines serving our airports have embarked on programs to invest billions of dollars to improve these airport facilities and make them more competitive.

However, in order to achieve our vision for New York's airports, we must provide a wage and benefits system that lays the foundation for a world-class passenger experience. Earning good wages and providing proper training increases job loyalty, reduces turnover, and improves customer satisfaction. Toward that end, the Port Authority is calling for the following changes at New York airports:

- **Make Martin Luther King Jr. Day a paid holiday for all airport workers, including retroactive effect for this year.** MLK Day is a paid holiday for Port Authority employees, as it is for employees of your airlines. Employees of your contractors should enjoy the same benefit, especially in light of the importance of this holiday to our country's history and values.
- **Immediately effect an increase in the hourly wage paid by your contractors to their lowest paid employees by \$1 per hour, with a phase-in to \$10.10 per hour.** Employees making an average base wage of \$8 to \$9 per hour or lower must receive an immediate \$1 per hour increase in their base wage.
- **All contracts relating to the new LaGuardia Central Terminal building will provide an improved wage and health benefits package for all terminal employees and contract employees.**
- **The Port Authority will actively promote a three to five year plan of improvements to wages and benefits paid to all airport workers, with an initial draft developed within 90 days.** The Port will convene the airlines, 32BJ SEIU, and the major contractors to develop the draft plan. The Port Authority will require that all new airline contracts, and all contracts with changed terms, include enhanced wages and benefits, including health benefits.

Our airports are major employers and economic engines for the entire region. I strongly believe that improved wages and benefits will reduce turnover and job training costs while significantly improving customer service, making this a win-win for the airlines, millions of their passengers, the Port Authority and the thousands of hard-working employees at our airports.

The Port Authority is prepared to use every tool at its disposal to achieve these goals. Specifically, the Port will enforce these changes through revisions to terms and conditions of Port-Airline agreements.

Providing an improved wage and benefits package to the thousands of hardworking men and women that make our airport system the largest in the country is something that cannot wait. I look forward to working with all of you in bringing the Port Authority's airports into the 21st Century.

Sincerely,

Patrick J. Foye
Executive Director, Port Authority of NY & NJ

Cc: Larry Engelstein, EVP 32BJ SEIU
Jeffrey Goodell, VP Government Affairs, JetBlue Airways
Michael Minerva, VP Airport & Government Affairs, American Airlines
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