

Controversy at Wichita City Council over more breaks for Spirit AeroSystems



Wichita – In a sequence of events that reads like a parody, Spirit AeroSystems once again embarrasses its political allies.

Spirit AeroSystems has been locked in contentious negotiations with its technical, professional and engineering union, the Society of Professional Engineering Employees in Aerospace (SPEEA), since May 2011. The company is seeking dramatic pay and benefit cuts from employees at the same time it increased its CEO's salary by 40% and has lavished compensation upon other company executives.

Whereas the union has been proposing pay and benefits that are anchored to market movement and company health, Spirit proposed pay and benefit cuts that the company itself cannot explain the rationale for. When SPEEA put the company's offer to a vote in July, 96.5% of the voters rejected it. The company has not engaged in good faith bargaining since receiving this stunning rebuke from their own workforce.

Now, Spirit is seeking a \$15 million handout from taxpayers. ORDINANCE NO. 49-150 is on the Nov. 1 Wichita City Council agenda and would authorize a \$15 million Taxable Industrial Revenue Bond measure that is coupled with 10 years of property and sales tax exemptions.

"Spirit is seeking a double subsidy from their own employees," said Ray Goforth, executive director at SPEEA. "First, they seek to slash pay and benefits for employees. Next, Spirit demands that these same employees then subsidize the company through their tax dollars. Finally, Spirit does these things while simultaneously increasing pay for their executives."

SPEEA represents 2,300 technical and professional employees at Spirit AeroSystems in Kansas. Nationwide, the union represents 25,250 employees in Washington, Kansas, Oregon, Utah and California. SPEEA is affiliated with the International Federation of Professional and Technical Engineers (IFPTE).

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