

In the Matter of Arbitration:

UNITED AIRLINES

and

INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, LOCAL 19

| Grievance: 2020-19-IAH-UA-42

| Administration of 2020 Furlough Process

Before the UAL-IBT System Board of Adjustment

Ira F. Jaffe, Esq., Impartial Arbitrator

APPEARANCES:

For the Union:

William R. Wilder, Esq.
(Baptiste & Wilder)
Diedre Hamilton, Esq.
(Staff Attorney, IBT)

For the Company:

Eric E. Mennel, Esq.
(Director – Labor Relations and Legal Strategy, United Airlines)

OPINION AND AWARD

The Parties to this dispute engaged in a mediation-arbitration process on April 22, 2021 pertaining to the Company’s October 1, 2020 furlough of Technicians under the Parties’ 2016-2021 collective bargaining agreement (“CBA”) precipitated by the COVID-19 pandemic. When the Parties were not able to reach agreement in mediation, they agreed to vest decision-making authority in the undersigned arbitrator acting as sole arbitrator without System Board members.

Only a brief recitation of the facts is necessary to resolving this case. The COVID-19 pandemic and resulting precipitous drop in airline travel in the Spring of 2020 caused significant business hardship for United as well as other airlines. Congress enacted the initial Payroll Support Program (“PSP”) in May 2020 with the goal of preventing airline job losses through September 2020. However, when the pandemic was not quickly resolved, United Airlines (“United” or “Company”) made plans to furlough thousands of workers including Technicians beginning on October 1, 2020. Toward that end, Company and IBT, Airline Division (“IBT” or “Union”) officials met and in good faith sought to implement a furlough process which would follow the parameters of Article 6 and LOA 19 of the Joint Collective Bargaining Agreement governing the Reduction in Force and Recall processes. In a complicating twist, both United management officials and IBT leadership understood that the furlough process had to comply with the Final Amended Consent Decree entered by the U.S. District Court for the Northern District of Illinois in 1995 which governs the furlough process for Technicians and related crafts at United Airlines. Under the Consent Decree, United Technicians have a “furlough recall date” (“FRD”) which is the Company seniority date adjusted for certain leaves of absence and time spent in promoted status. As a result, United is not permitted to furlough Technicians at a location/point who have greater FRD seniority than Technicians with a junior FRD seniority even if that Technician has greater craft seniority. In other words, FRD seniority largely carries the day with respect to furloughing Technicians under the Consent Decree.

The Parties met many times in the Spring and early Summer of 2020 with each Party believing it had reached an understanding on how the process would work. Because United planned to furlough approximately 40% of the total Technician work group, the furlough process could not be accomplished manually given the large number of options each employee might

choose. United automated the process by developing an algorithm to accomplish the furlough which followed the logic which Company representatives and IBT officials had outlined.

However, when the furlough awards were announced in September 2020, IBT representatives became aware that some Technicians remained in a bid area based on FRD seniority when Technicians with greater craft seniority were displaced from the same bid area. IBT representatives raised a concern with United stating that they believed the employees who had less craft seniority should have instead been forced to displace at the location/point based on what the Union believed were options available to the employee. United officials disagreed based on the Consent Decree language, FRD seniority and qualifications. IBT Local 19 in IAH subsequently filed a grievance over the issue as did approximately 12 Technicians around the United system. In those grievances, the Technicians and Local 19 claim that United implemented the furlough improperly.

Rather than immediately submit the combined grievances to arbitration, United and the IBT entered into an agreement by which the Parties would cooperate to audit the furlough results and discuss the process. The Parties began this audit in January 2021, but thereafter disagreed about the scope of the audit as well as the information available to determine whether the furlough was conducted properly under the JCBA and the Parties' agreement.

Additionally, as the travel environment began to improve, the Parties reached a Letter of Agreement, dated February 11, 2021, in which the Parties agreed to a process to return furloughed Technicians to their original Bid Areas if they wished to so return.

The Parties then convened the session on April 22nd to discuss the furlough process and make evidentiary proffers to the undersigned neutral concerning the furlough process.

Having considered the factual presentations and the arguments made by both Parties, I hereby enter the following Award:

1) United and the IBT engaged in good faith efforts to attempt to implement the 2020 furlough process according to the JCBA and the requirements of the Consent Decree.

2) Despite these attempts the Parties eventually disagreed as to whether the logic used to implement the furlough complied with the JCBA.

3) In February 2021 the Parties negotiated a "IBT Bid Area Recall Letter Of Agreement" ("Recall LOA"), which was ratified in March 2021, pursuant to which Technicians (including a number of the individual grievants) have already begun to be recalled to Bid Areas.

4) The Bid Area recall process in the Parties' February 11, 2021 Recall LOA provides the proper vehicle for recalling all remaining Technicians to their original Bid Area, including those Technicians who might still have outstanding grievances concerning the furlough process. The Company will provide the Union by June 14, 2021 data identifying all employees returned to their bid areas under the LOA. The Company will further provide by June 30, 2021 the forecasted vacancies until December 31, 2021 that would provide additional Bid Area return opportunities under the LOA.

5) Prior to conducting any future reduction in force, the Parties commit to discuss in future Section 6 negotiations the application of craft security and FRD seniority for movement within the location/point consistent with the Consent Decree. Each Party, therefore, preserves its position on the issue.

6) This Award resolves all issues outstanding concerning the conduct of the 2020 furlough of United Technicians working under the JCBA.

7) The undersigned retains jurisdiction should additional issues arise that the Parties are unable to resolve concerning either this Award or the conduct of the furlough or the Recall LOA.

June 14, 2021



Ira F. Jaffe, Esq.
Impartial Arbitrator