



GLOSSARY

**Air Line Pilots
Association, Int'l**

June 2019

401(k): The most common type of defined contribution plan. A 401(k) plan is a qualified employer-sponsored retirement plan that eligible employees may make salary-deferral contributions to on a pre- or post-tax basis. Employers offering a 401(k) plan may make matching or nonelective contributions to the plan on behalf of eligible employees. Earnings in a 401(k) plan accrue on a tax-deferred basis.

A-Plan: ALPA term referring to a defined benefit plan. See Defined Benefit Plan.

Administrative Manual: Manual containing the policies and procedures by which ALPA governs itself. Section 40 of the Administrative Manual sets forth the policies and procedures that apply to collective bargaining and contract negotiations.

Affordable Care Act Excise Tax (Cadillac Tax): A provision of the Internal Revenue Code (currently scheduled to become effective for tax year 2020) under which a 40 percent excise tax is imposed on the portion of employer-sponsored medical coverage that exceeds a statutory dollar limit.

Agency Fee: The fee (sometimes referred to as a service fee) paid by a nonmember to the union pursuant to an agency shop agreement to cover the union's collective bargaining and contract administration costs. ALPA charges nonmembers a monthly agency fee equal to the monthly dues rate for members. Federal law requires that nonmembers be permitted to object to being charged for any union expenses not considered by law to be germane to collective bargaining or contract administration, including organizing, lobbying, and members-only benefits expenses. Objectors are refunded a percentage of agency fees equal to the percentage of ALPA's budget that is allocated for such "nongermane" expenses.

Agency Shop Agreement: A type of union security agreement under which employees who do not join the union are required to pay a service fee (or "agency fee") to defray the costs of collective bargaining on their behalf as a condition of employment. Agency shop provisions are included in all ALPA contracts. Under the Railway Labor Act (RLA), which governs employment relations in the rail and airline industries, state "right to work" laws are preempted and do not apply to ALPA collective bargaining agreements.

Agreement: See Collective Bargaining Agreement.

Agreement in Principle (AIP): An agreement reached between a union and management on all the substantive provisions of a collective bargaining agreement. Typically, once an AIP is reached, the parties meet to negotiate and draft full, formal contract language. Once full language is agreed to, a tentative agreement typically is completed.

Alter-Ego Employer: An employer who changes the name and outward appearance of a business in order to undermine an existing collective bargaining agreement, avoid negotiating with employee union representatives, and establish a parallel operation with nonunion employees.

Amendable Date: The date, agreed to in the contract, on which collective bargaining agreement changes are typically made. Contracts under the Railway Labor Act do not automatically expire. They remain in force until the parties either reach a new agreement or exhaust the negotiation and mediation procedures mandated by the Railway Labor Act and are released by the National Mediation Board to engage in self-help (e.g., strike, lockout, or imposition of unilateral changes to pay and work rules). Negotiations to change the collective bargaining agreement can be triggered in advance of the amendable date by sending a “Section 6” notice.

Analyst Report: A report (also known as a research report) prepared by an analyst who performs investment research for an investment bank or stock brokerage. The report may focus on a specific stock or industry sector; a currency, commodity, or fixed-income instrument; or a geographic region or country. At large investment banks, analysts specializing in the airline industry publish opinions regarding the short- and long-term financial outlook for particular airlines and recommendations on whether to buy, hold, or sell stock in a particular airline. Airlines are sensitive to the impact of these reports on public and investor perception.

Attrition: The reduction in employee headcount due to resignation, retirement, or death, as opposed to layoffs.

B-Plan: ALPA term referring to a defined contribution plan. See Defined Contribution Plan.

B-Scale: A separate, lower pay scale for new hires. B-scales have been divisive and were eliminated from ALPA contracts. Their avoidance continues to be a top ALPA bargaining priority according to Section 40 of the ALPA Administrative Manual.

Bargaining History: The record of what was said and done at the bargaining table, including negotiators' contemporaneous notes as well as proposals exchanged by the parties. When a dispute arises about the meaning of particular contract language, bargaining history can be evidence of what the parties intended the language to mean.

Boulwarism: A negotiating tactic where management presents its opening offer as being its final, last, best offer. This "take it or leave it" approach to negotiations is considered a form of bad-faith bargaining, as its purpose is to avoid the give-and-take of substantive negotiations and portray the union as an ineffective representative.

Canada Industrial Relations Board (CIRB): An independent, representational, quasi-judicial tribunal responsible for the interpretation and administration of the Industrial Relations and Occupational Health and Safety sections of the Canada Labour Code. The CIRB's jurisdiction extends to employees engaged in industries under federal jurisdiction. The sectors under federal jurisdiction include industries such as interprovincial transportation and banking. The CIRB's responsibilities include certifying trade unions, investigating complaints of unfair labour practice, issuing cease and desist orders in cases of unlawful strikes and lockouts, and adjudicating jurisdictional issues. The CIRB also provides mediation services to help resolve industrial disputes before they result in a strike or lockout.

Canada Labour Code: The Canada Labour Code is an act of Parliament that sets the labour and employment standards that apply to employers and employees in entities under the legislative authority of the Parliament of Canada (i.e., federal jurisdiction).

Capacity Purchase Agreement (CPA): An agreement between two or more airlines under which one airline purchases capacity (i.e., seats) on another airline's aircraft, which the purchasing airline then sells to its own customers. Seats on regional aircraft typically are purchased pursuant to such an agreement. See Fee for Departure.

Caucus: Usually a short break from negotiations called by one side so that its team can confer privately. Some reasons to caucus include to strategize, develop new arguments, develop counterproposals, discuss the current status of bargaining issues, or relieve tension if negotiations are becoming heated.

Cherry-Picking: In negotiations, cherry-picking refers to accepting only those parts of an offer or proposal that are desirable to a party and rejecting the rest.

Closing: The final stage of negotiations leading to an agreement. A successful closing requires both sides to narrow the open issues and typically requires compromise on some issues.

Code Share: Code sharing is a commercial agreement between two airlines that allows an airline to put its identification code on the flights of another airline as they appear in computerized reservations systems. Under most code-share agreements, the nonoperating airline does not receive revenue from the tickets sold on its reservations system, except for a small service fee. Some ALPA contracts place restrictions on the company's ability to code share.

Collective Agreement: In Canada, collectively bargained agreements are referred to as collective agreements. Pursuant to Section 3 of the Canada Labour Code, a collective agreement means an agreement in writing entered into between an employer and a bargaining agent containing provisions respecting terms and conditions of employment and related matters.

Collective Bargaining: Collective bargaining is a process of negotiation between an employer and a group of employees (usually represented by a union) aimed at reaching an agreement establishing pay, working conditions, and benefits.

Collective Bargaining Agreement (CBA): In the United States, collectively bargained agreements are referred to as collective bargaining agreements or CBAs and contain terms settled as a result of negotiations between an employer and a union, setting out working conditions, pay rates, benefits, and other aspects of employment. Only the union, as certified representative of the employee group, can negotiate on these subjects. Under the Railway Labor Act, a CBA does not expire, but rather becomes amendable. See Amendable Date.

Common Employer: Also referred to by its statutory name as “single employer,” “common employer” is a declaration by the Canada Industrial Relations Board (CIRB) in which two or more employers under federal jurisdiction are recognized as being associated or related and under common control or direction. The CIRB also must deem there is a labour-relations purpose for making such a declaration. The primary purpose of a common employer declaration is to prevent the erosion of bargaining rights or the attempted avoidance of employers’ obligations under the Canada Labour Code (for example, through complex corporate arrangements that conceal the true relationship between an employer and its employees).

Communications Specialist: An ALPA Communications Department staff member assigned to support an MEC with all facets of pilot and public communications, including traditional and social media, advertising, and strategic planning.

Comparator: In interest arbitration, comparator employers are used to establish the industry standard for wages or any other issue to be decided by the arbitrator. In the airline industry, comparators are typically selected on the basis of size, revenue and financial condition, aircraft type, route structure, and business model. See Interest Arbitration.

Comprehensive Proposal: A proposal that covers all (or almost all) of the substantive areas of the contract that a side intends to negotiate over. Whether and when to make a comprehensive proposal is a strategic decision that depends on the specific circumstances at the bargaining table.

Concerted Activity: A group of employees engage in concerted activity when they take action for their mutual aid or protection regarding the terms and conditions of employment.

Concessionary Bargaining: Bargaining during which the employer asks the union to agree to reduce contract provisions or give back previous gains in pay, benefits, work rules, or job security.

Conciliation: A stage in the collective bargaining process in Canada involving the Federal Mediation and Conciliation Service (FMCS). The FMCS advises the Minister of Labour with respect to industrial relations matters, and attempts to assist the parties in resolving their dispute by suggesting possible areas of compromise, bringing a different point of view, clarifying issues, and using many other techniques designed to bring the parties closer together and narrow the areas of disagreement. Either or both parties may apply to the Minister of Labour for the appointment of a conciliator. In the federal jurisdiction which governs airlines in Canada, conciliation is mandatory before the parties may engage in a strike or a lockout unless the Minister of Labour elects not to appoint a conciliator. The conciliation process will last a maximum of 60 days, unless the parties agree otherwise. The conciliation process ends once the conciliator provides report to the Minister of Labour. Subsequently, and subject to some other conditions (e.g., strike vote, 72 hours' notice, etc.), there is a 21-day "cooling off" period before the union can engage in strike action or the employer can lock out its employees.

Confidentiality: Certain information controlled by a carrier may be designated confidential because the carrier wishes to protect the information from public disclosure. Negotiators and/or other pilot leadership are sometimes required to sign nondisclosure agreements before an employer will share information about the company's business plans and financial condition.

Consumer Price Index (CPI): An index published monthly by the U.S. Department of Labor used to measure the change in the cost of goods and services (i.e., inflation). Some collective bargaining agreements (although historically not ALPA contracts) tie the annual cost of living adjustment (COLA) pay increases directly to the CPI. Negotiators may also refer to CPI data to support pay and COLA proposals.

- Contract Comparison Guide:** A guide that compares a pilot group's pay rates, work rules, and benefits with contracts at other airlines. The side-by-side comparison, often with tables and graphs, allows pilots to see how their contract stacks up alongside those at peer airlines.
- Cooling-Off Period:** The 30-day period mandated by the Railway Labor Act between when the National Mediation Board (NMB) releases the parties from mediation (as a result of one of the parties rejecting a proffer of arbitration by the Board) and when the parties may lawfully engage in self-help. During the cooling-off period, the NMB usually invites the parties to voluntarily participate in public interest mediation (also known as super mediation) in a final attempt to assist the sides in reaching an agreement.
- Costing:** Calculating how much a change in pay rates, benefits, and other economic factors cost the employer. Reaching early agreement on the cost of economic proposals, which is largely objective, usually facilitates the bargaining process. Staff from ALPA's Economic & Financial Analysis Department, working with the Negotiating Committee, perform costing analyses of union and company proposals and often work directly with the company's financial expert to develop an agreed-to costing model.
- Cost-Neutral:** Can refer to a proposal or an agreement that does not increase net cost to the company. Management negotiators will sometimes present proposals that appear on the surface to increase the company's costs, but are in fact cost-neutral.
- Cost of Living Adjustment (COLA):** In pilot contract negotiations, COLA refers to an across-the-board pay increase. Pay tables in ALPA contracts show these pay bumps that usually occur annually. Slight changes in the COLA can significantly affect the total economic cost of a contract.

Cost Per Available Seat Mile (CASM): A commonly used measure of unit cost in the airline industry. CASM is expressed in cents to operate each seat mile and is determined by dividing operating costs by available seat miles, or ASMs. An airline's ASMs are equal to the number of seats available multiplied by the number of miles those seats were flown. CASM is frequently used to allow a cost comparison between different airlines, or for the same airline across different time periods. A lower CASM means that it is easier for the airline to make a profit. CASM may also be used to describe the relative efficiency or profitability of a particular aircraft type.

Counter: A proposal by one side in response to a proposal made by the other side, an essential part of the give-and-take of bargaining.

Craft or Class: Under the Railway Labor Act (RLA), the craft or class of employees consists of all employees who perform the same job function for a carrier—e.g., the craft or class of flight deck crewmembers (i.e., pilots) employed by United Airlines. A craft or class is analogous to a bargaining unit under the National Labor Relations Act (NLRA); however, unlike the NLRA, union representation under the RLA is for a carrier's entire transportation system (i.e., an entire airline). While delineating a craft or class is usually clear cut, overlapping responsibilities, such as management or instructor pilots who also regularly fly the line, can create some ambiguity.

Date of Signing (DOS): The date a collective bargaining agreement (CBA) is signed. Usually, but not always, the date the agreement goes into effect. Provisions of the CBA that become effective after DOS, such as subsequent annual cost of living adjustment pay bumps, are often expressed as taking effect at DOS +1, +2, etc.

Defined Benefit Plan (DB Plan): A type of pension plan in which an employer guarantees a specified pension payment or lump sum (or combination thereof) upon retirement that is predetermined by a formula based on the employee's earnings history, tenure, and age. The employer is responsible for funding the plan and assumes all of the investment risk. The employer is likewise liable for paying the benefit, regardless of fund performance. Once common, DB plans are now rare in the airline industry and have been replaced in most cases by defined contribution plans.

Defined Contribution Plan (DC Plan): A type of retirement plan that's typically tax-deferred, like a 401(k) or 403(b), in which employees and/or employers contribute a fixed amount or a percentage of the employee's pretax pay to an account that is intended to fund the employee's retirement. Depending on the plan, the employee may (as in a matching plan) or may not be required to contribute as a condition of receiving the employer contribution. Negotiating the highest achievable employer contribution is a bargaining priority for most ALPA Negotiating Committees.

Direct Negotiations: Typically the first step in contract negotiations, during which the parties meet to bargain without the assistance of a third-party mediator.

Double-Breasted Operation: Where an employer, often through the use of a holding company, maintains two parallel operations—one under a union contract and one not—enabling the employer to transfer work from the union operation to the nonunion operation and undermine the bargaining power of the unionized employees. The scope provisions of ALPA contracts typically prohibit or restrict such arrangements.

Dues Checkoff: An arrangement under which an employee authorizes the employer to deduct union dues from their paycheck and transfer that amount directly to the union. Dues checkoff is standard in ALPA collective bargaining agreements.

Duration: In a Railway Labor Act contract, the duration clause specifies the date on which the collective bargaining agreement (CBA) becomes amendable. Two common features of duration clauses in ALPA contracts are a specification of when the parties may serve notice pursuant to Section 6 of an intent to change the agreement and a provision that the contract will automatically renew annually on the amendable date if no Section 6 notice is served. Duration has a significant impact on the economic cost of a CBA. Depending on circumstances, there may be strategic reasons why an MEC desires a longer or shorter duration. One strategic consideration is often the amendable dates of other pilot contracts and how to achieve maximum leverage from pattern bargaining.

Duty of Fair Representation (DFR): A union's obligation to represent all employees in the bargaining unit, or class or craft, as fairly as possible. A union owes this duty to union members and nonmembers alike and cannot discriminate between the two. It applies to both the negotiation of collective bargaining agreements and their administration (e.g., grievance representation). The DFR does not require a union to arbitrate a grievance that lacks merit. Nor does the DFR prohibit a union from making the kind of "trade-offs" that may advantage or disadvantage a group of employees, but that are an essential part of collective bargaining and achieving an overall agreement. Rather, a union violates the DFR if its conduct toward a member or members of the craft or class is arbitrary, discriminatory, or done in bad faith.

Early Opener: A provision in a collective bargaining agreement that allows one or both parties to serve notice pursuant to Section 6 of the RLA of an intent to commence negotiations prior to the amendable date (commonly six months in ALPA contracts). Given that the current contract remains in force until a new agreement is reached (unless and until the parties are released to engage in self-help) and that negotiating a new agreement can take an extended period of time, it may be advantageous to get a head start on bargaining.

Economic & Financial Analysis Department (E&FA): ALPA's E&FA Department is staffed with a team of professional and highly respected financial analysts (with decades of airline industry experience) who support MECs and Negotiating Committees throughout the bargaining cycle. E&FA staff have developed sophisticated models for providing accurate costing of union and company proposals. With their broad knowledge of conditions and trends in airline industry, they are prepared to evaluate and critique airline business plans and provide strategic counsel regarding an airline's ability to pay. Typically, E&FA analysts attend negotiating sessions where economic items are being discussed to provide real-time analysis and advice.

Effective Date: The date a collective bargaining agreement or other agreement goes into force. It may be the same as the date of signing. Sometimes, however, the effective date of certain contractual provisions is delayed for technical reasons or as part of the overall agreement.

Election Ballot Certification Board: An ALPA board composed of a group of pilots who review and officially certify the results of LEC elections, as well as MEC ballots, including contract ratification ballots.

Employee Retirement Income Security Act of 1974 (ERISA): The federal law that sets minimum standards for most voluntarily established retirement and health plans in private industry. ERISA requires plans to provide participants with plan information and establishes the fiduciary responsibilities for those who manage and control plan assets. The law also sets minimum standards for vesting, benefit accrual, and funding.

Employee Stock Ownership Plan (ESOP): A type of defined contribution plan that is invested primarily in employer stock. In the airline industry, ESOPs have generally been established when the company is financially ailing and requires additional capital in exchange for concessions.

Facilitation: A process in Canada by which a neutral third party (an external mediator or sometimes through the Federal Mediation and Conciliation Service) provides services akin to that of a mediator with a view to helping parties resolve labour-relations issues. Facilitators can, upon the agreement of both parties, be used to guide the parties on major workplace issues or in some cases can be used to assist with negotiations from the outset.

In the United States, the National Mediation Board also has authority to conduct facilitation of virtually any labor-relations issue if both parties mutually agree to its participation.

Family and Medical Leave Act (FMLA): FMLA generally entitles eligible employees of covered employers to take 12 weeks of unpaid, job-protected leave in any 12-month period to deal with the birth or adoption of a child, to care for an immediate family member with a serious health condition, or to receive care when the employee is unable to work because of their own serious health condition, or 26 weeks per year to care for an injured or ill service member. To be eligible, airline flightcrew members must have worked or been paid for not less than 60 percent of the applicable total monthly guarantee and have worked or been paid for not less than 504 hours during the 12 months prior to their leave. An eligible airline flight crew employee is entitled to 72 days of leave during any 12-month period for FMLA-qualifying reasons other than military caregiver leave and 156 days of leave during a single 12-month period for military caregiver leave.

Fee for Departure (FFD): A segment of the airline industry, also referred to as regional or commuter airlines, that supplies passenger service to mainline carriers using regional aircraft (less than 100 seats), typically under a capacity purchase agreement. Negotiating collective bargaining agreements at FFD carriers presents distinct challenges given the pressure on these carriers to reduce costs to compete with other FFD carriers for capacity purchase agreements with mainline carriers.

Flexible Spending Account (FSA): A flexible spending account is a type of savings account set up by an employer for an employee to pay for qualified expenses, such as medical or dependent care expenses. An employee may contribute up to a maximum of \$2,600 of their pretax earnings per year to the account. Up to \$500 may be carried over in the account for the next year.

Flight Pay Loss (FPL): Reimbursed value of the time that pilots spend conducting approved union business. Flight pay loss is paid to ensure pilots who drop trips to perform ALPA work will continue to receive compensation as they would have flying the line. Some contracts provide for a bank of annual or monthly FPL credit before the company begins charging ALPA for dropped trips. Other contracts provide a set amount of company-paid FPL for particular ALPA positions (e.g., MEC chairman). Contractual FPL reimbursement is an ALPA bargaining priority at properties with no such provision.

Force Majeure: A clause that is included in contracts to remove liability for natural and unavoidable catastrophes that interrupt the expected course of events and restrict parties from fulfilling obligations (e.g., hurricane or terrorist attack). In ALPA contracts, force majeure is sometimes referred to as an “act of God.” Triggering such a provision may result in suspension of the some of the contract’s scope and furlough protections.

DOT Form 41: Form 41 Financial Reports contain financial information collected from large U.S. air carriers. Reported information includes balance sheet, cash flow, employment, income statement, fuel cost and consumption, aircraft operating expenses, and operating expenses. This data is collected by the Department of Transportation’s Office of Airline Information, which is part of the Bureau of Transportation Statistics. Along with other public financial disclosures, Form 41 data is an importation source of information about an airline’s financial condition, which staff in ALPA’s Economic & Financial Analysis Department use during negotiations to independently analyze and evaluate an airline’s financial condition.

Full-Language Negotiations: When to negotiate actual contractual language is a strategic judgment made by the MEC and the Negotiating Committee. One approach is to draft full language as provisions are being negotiated and agreed to at the table. Another approach is to negotiate concepts (or bullet points) and draft full language after a tentative agreement has been reached.

Good-Faith Bargaining Duty: A fundamental precept of U.S. labor law is the mutual obligation of the employer and the union to negotiate in good faith. The source of this duty is Section 2 of the Railway Labor Act (RLA), which provides that carrier and the union have a “duty . . . to exert every reasonable effort to make and maintain agreements.” This has been called the “heart of the RLA” by the courts. In practical terms, this means approaching bargaining with an open mind and a willingness to compromise, following procedures that will enhance the prospects of agreement, being willing to meet as often as necessary, providing the union with the information it needs to bargain meaningfully, discussing proposals candidly, and justifying negative responses.

Health Reimbursement Arrangement (HRA): Health reimbursement arrangements or accounts are employer-owned and -funded group health plans from which employees are reimbursed tax-free for qualified medical expenses up to a fixed dollar amount per year. Unused amounts may be rolled over to be used in subsequent years.

Health Savings Account (HSA): A health savings account is a tax-advantaged account created for individuals who are covered under high-deductible health plans to save for medical expenses that the plan does not cover. Contributions are made into the account by the individual and/or the individual's employer and are limited to a maximum amount each year. The employee's contributions from earnings are deposited pretax and can be withdrawn tax-free when used to pay for qualified medical expenses, which include most medical care, such as dental, vision, and over-the-counter drugs. Unlike health reimbursement accounts, an HSA is owned by the employee, who may keep the account even when switching employers.

Holding Company: A holding company is a parent corporation that typically owns enough voting stock in another company to control its policies and management. The company generally does not have any operations or active business itself; instead, it owns assets in one or more companies. In the airline industry, holding companies have been used historically to create double-breasted operations with two airline subsidiaries. Many U.S. airlines are still owned by holding companies (some of which own multiple airlines), in part, because that shields the holding company's other assets from liability incurred by one of its subsidiaries, including bankruptcy. A holding company that owns an airline may also own a variety of other business, some but not all of which are related to aviation.

Hostage: In collective bargaining, a hostage is an employee, typically a union leader or vocal supporter, whom the employer discharges pretextually in order to intimidate the employees and ultimately to use as a bargaining chip at the negotiating table to obtain givebacks from the union in exchange for the employee's reinstatement.

Human Intervention and Motivation Study (HIMS): An alcohol and drug assistance program developed for commercial airline pilots by ALPA, the FAA, and airlines to coordinate the identification (with trained pilot peers), assessment, treatment, and medical recertification of those in need. HIMS may refer to an airline-specific program, an MEC or ALPA national committee (under ALPA's Pilot Assistance arm of the Air Safety Organization), or the federally funded contract awarded to ALPA for education and training. It is a contractual priority for pilots to avoid discipline upon entering the program.

Impasse: The point in negotiations when one or both parties determine that no further progress is possible. Under the Railway Labor Act, it's the time that the parties are at impasse and the point at which the National Mediation Board can proffer arbitration and initiate the statutory process that could lead to releasing the parties to engage in self-help—e.g., strike, lockout, or unilateral imposition of new working conditions.

Implementation: The negotiated process for determining when certain provisions of an agreement that are not effective at date of signing become effective. For example, the company may want to delay implementation of a new work rule that requires software to be reprogrammed. Typically, the parties enter into a written implementation agreement that includes a timeline for when the company must begin complying with certain provisions. An implementation agreement may also provide for the creation of a joint implementation team and expedited process for resolving disputes over the application of contract terms.

Inability to Pay: In rejecting a union's economic proposal, the employer may claim either an inability or unwillingness to pay. When a company claims its financial condition makes it unable to meet a union's contract demand, it is required under established labor law principles to furnish the union with financial information supporting this claimed inability.

Indemnification: A concept based on a contractual agreement made between two parties, in which one party agrees to pay for potential losses or damages caused by the other party. In collective bargaining, indemnification may be demanded, or offered, to protect one side against incurring liability (to a third party) and damages for performing some aspect of the collective bargaining agreement.

Information Request: Upon request from the union, information relevant to the terms and conditions of employment is generally considered a requirement of good-faith negotiations. During bargaining, especially concessionary negotiations, the union is generally entitled to information from which it can independently evaluate the company's operations, planning, and financial condition, to the extent the information bears on the subject matter of negotiations.

In National Mediation Board–mediated negotiations, the federal mediator generally will recommend that the carrier provide the union with such information. Depending on the nature of the information, disclosure may be limited to union official and staff who have executed a nondisclosure agreement. Staff from ALPA's Economic & Financial Analysis Department, along with the pilot group's labor counsel, will assist the Negotiating Committee in preparing information requests that are tailored to elicit all the relevant information.

Informational Picketing: Picketing done with the express intent not to cause a work stoppage, but to publicize the existence of a labor dispute. Provided it complies with local ordinances, informational picketing is legal under the Railway Labor Act. As part of a multifaceted contract campaign, informational picketing, when deployed strategically, can be an extremely effective tactic for applying pressure on the company to make reasonable proposals at the negotiating table. Staff in ALPA's Communications Department work closely with the Strategic Preparedness and Strike Committee to coordinate media coverage to maximize the picket's impact. Informational pickets can also be an effective means for building, maintaining, and demonstrating pilot solidarity during what can be a long, drawn-out period of negotiations.

Injunction: A court order compelling a party to do or refrain from a specific act. There are three types of injunctions in the U.S. legal system: temporary restraining orders (TRO), preliminary injunctions, and permanent injunctions. Aside from a TRO, which is short-lived, courts only issue injunctions after an evidentiary hearing and a showing that the challenged action will cause irreparable harm. Under the Railway Labor Act (RLA), an injunction is the primary remedy for a violation of the status quo requirement. The penalty for violating an injunction is being held in contempt of court, and, notably under the RLA, liability for status quo violations is joint and several, meaning that individual MEC members may be found personally liable, including monetary damages, for the union's failure to restore and maintain the status quo.

Interest Arbitration: An alternative to negotiations where an arbitration panel, after reviewing evidence submitted by both sides, decides on the terms of the collective bargaining agreement (CBA). Some ALPA CBAs provide for binding interest arbitration in the event negotiations reach impasse. An interest arbitration provision may specify which contract sections will be submitted to arbitration and may also include an agreed-to list of comparator airlines to be referenced by the arbitrator(s) in setting pay rates or other contractual terms.

Under the Railway Labor Act, the National Mediation Board also offers interest arbitration (i.e., a proffer) to the parties when it declares an impasse in mediated negotiations. If either side declines the offer, then the parties will be released to engage in self-help at the end of the 30-day cooling-off period (unless a Presidential Emergency Board is created).

Interest Based Bargaining (IBB): An approach to bargaining in which the parties focus on "interests" rather than locking themselves into concrete proposals. By focusing on interests, the parties may be better able to identify mutually beneficial and agreeable solutions than if they are simply trading proposals. IBB is more effective on certain issues (largely noneconomic) rather than other issues. Specific uses for IBB should be discussed as a strategic matter.

Job Security: A broad term referring to contract provisions that restrict, or bar, the company from undertaking business arrangements or transactions that would reduce the flying performed by a pilot group. Job-security provisions include scope protections, which generally require that pilots in the craft or class, exclusively or with certain limited exceptions, perform the airline's flying. Additionally, scope provisions may prohibit alter ego and double-breasted arrangements, or other mechanisms for transferring flying to a nonunion operation controlled by the carrier. Other common job-security provisions protect pilots against lost flying in the event of a corporate transaction (e.g., merger or asset sale) or as the result of a commercial agreement (e.g., capacity purchase arrangement, code share, or joint venture).

Joint Collective Bargaining Agreement (JCBA): A collective bargaining agreement negotiated on behalf of two previously separate pilot groups (or other employee groups) that are being combined as a result of a merger of their airline employers. Section 45 of the ALPA Administrative Manual establishes the procedures to be followed in negotiating a JCBA, including the creation of a Joint Negotiating Committee (JNC) composed of pilots from both legacy pilot groups. Under ALPA policy, negotiation of the JCBA is the first step in the process of achieving unified representation, followed by integration of the seniority lists and merger of the MECs. Negotiating a JCBA poses unique challenges, not least achieving agreement on proposals among the members of the JNC when their respective pilot groups' interests may not always align.

Joint Negotiating Committee (JNC): A committee established to negotiate a joint collective bargaining agreement in the event of a merger. Section 45 of the ALPA Administrative Manual provides that a JNC should be composed of three members from each affected MEC.

Joint Venture: In the airline industry, a partnership agreement between two carriers, usually from different countries and, characterized by revenue/cost sharing and extremely close coordination on schedules, capacity and pricing on routes serving a particular region (e.g., transatlantic market). Given the potential anticompetitive effects of such ventures, they typically must survive regulatory/antitrust review by the carriers' respective governments. Depending on how JVs are structured, they pose threats to the flying performed by a company's pilots.

Labor Relations Counsel (LRC): A staff attorney in the ALPA Representation Department, typically assigned to support one or two MECs, who provides professional advice and legal counsel concerning negotiations, contract enforcement, and MEC strategic planning and governance. An LRC may also advise individual pilots on FAA enforcement and medical certification issues.

Last Best Offer (LBO): An assertion that a proposal represents a final offer that will not be improved upon—a common management ploy. Especially when made early in negotiations or before actual bargaining has taken place, such an assertion smacks of bad-faith, take-it-or-leave-it bargaining. The thinly veiled threat to the union is to accept the LBO because further negotiations will not produce anything better. The union is not obligated to accept an LBO. Making an LBO does not excuse the company from its duty to continue to bargain in good faith.

Leave of Absence: A period of time during which an employee is not working, but retains their employment status. While on a leave of absence, pilots usually retain their seniority and continue to accrue longevity, although the collective bargaining agreement may limit how long a pilot can be on leave before they stop accruing longevity. ALPA contracts typically provide for different kinds of leaves, including personal, bereavement, medical (to care for oneself or a family member), FMLA, and military. These leave of absence provisions generally do not provide for pay in addition to what the pilot receives either under the contract (e.g., disability insurance) or based on some other service (e.g., military) or statutory entitlement (e.g., state or municipal paid leave law). ALPA labor counsel can provide additional information regarding the interplay between contractual leave provisions and the growing number of leave statutes, which can be complex and vary across jurisdictions.

Legal Department: ALPA's Legal Department includes ALPA's general counsel and a staff of highly experienced attorneys with expertise in the Railway Labor Act, Federal Aviation Regulations, international aviation, and union governance. Department attorneys provide legal advice to ALPA's national officers and governing bodies. They also represent ALPA in federal and state court proceedings, as well as before federal agencies.

Letter of Agreement (LOA): Also known as a “side letter,” an LOA is a legally binding, negotiated agreement added to an existing collective bargaining agreement.

Leverage: The power that one side in negotiations has to influence the other side to move closer to its negotiating position. There are generally three types of leverage: positive, negative (or coercive), and normative.

Positive leverage stems from the fact that in most bargaining situations, each side has things the other wants. The strength of one side’s positive leverage is partly a function of what the other side’s alternatives are, sometimes referred to as the “best alternative to a negotiated agreement.” In collective bargaining, the union may have less leverage initially because the alternative of no new collective bargaining agreement is something management can live with. One way the union can partially counteract management’s inherent leverage is to achieve an information asymmetry where the union knows more about what management wants and is willing to give up to get it than management knows about what the union wants and is willing to give up.

Negative or coercive leverage is based on a threat to make the other side worse off. In collective bargaining, the credible threat of a strike is a form of negative leverage. The National Mediation Board’s control over whether and when the parties will be released to engage in self-help limits the ability of Railway Labor Act unions to exercise that particular form of negative leverage. Informational picketing and media campaigns, designed to attract negative attention to the company and paint it in a negative light, are also examples of negative leverage.

Normative leverage is based on social or industry norms or standards. For example, Negotiating Committees rely heavily on comparisons between pay and work rules at their airline and comparable airlines. This form of normative leverage can be particularly persuasive with the federal mediator and National Mediation Board as they determine what are reasonable demands. Outside factors such as whether Wall Street and/or customers approve or disapprove of the company’s behavior can also contribute to normative leverage.

Any form of bargaining leverage is dynamic and may have a limited time horizon. The company may be worried about whether it can operate during a peak period in the midst of negotiations, but any leverage the company's concern may have created for the union will be gone as soon as the company gets through the peak period. Other circumstances that create leverage are unpredictable—for example, when the carrier plans to merge or add a new fleet type, but requires relief from some part of the collective bargaining agreement to complete the transaction. The Negotiating Committee must act strategically to capitalize on this unexpected leverage, or it will be lost.

Logrolling: The act of trading off issues in a negotiation based on relative preferences. Logrolling (an example of positive leverage) requires a negotiator to know their own priorities, and also the other side's. If one side values something more than the other, they should be given it in exchange for reciprocity on issues that are a higher priority to their opponent. In logrolling, both sides believe that they have gained more than they have lost in the exchange.

Longevity: The length of time an employee has been employed by a particular employer. In pilot contracts it is one of the factors, in addition to equipment type and seat, that determine the applicable pay rate.

Long-Term Disability (LTD): An insurance policy that protects an employee from loss of income in the event they are unable to work due to illness, injury, or accident for a long period of time. An employee typically becomes eligible for LTD six months after the start of the disability. Most ALPA contracts provide some LTD benefit. Usually, the amount is a percentage of a pilot's predisability earnings. The contract may set a maximum dollar amount per month for the benefit.

Lump-Sum Payment: A one-time payment made by the company in order to conclude a collective bargaining agreement—e.g., retro pay or signing bonus. Typically, the MEC decides on a methodology for allocating the lump sum to the pilots. ALPA policy requires that the MEC consult with the ALPA Legal Department in developing the allocation methodology. Section 40.3.J of the ALPA Administrative Manual sets forth the procedure for allocating lump-sum payments, including a process for appealing and resolving pilot disputes.

Major Dispute: Under the Railway Labor Act (RLA), contract disputes are divided into two categories: major and minor. A major dispute relates to either an effort to form new contractual rights or to change existing contractual rights. The RLA establishes mandatory procedures for negotiating and then mediating major disputes before the parties are permitted to lawfully act unilaterally. If one side takes premature unilateral action—e.g., changing pay or work conditions, or striking—the other side may file a lawsuit in federal court for an injunction ordering a stop to the unlawful action.

Management Rights: Management rights clauses are common in collective bargaining agreements (CBAs). A typical management rights clause reserves for management the right to manage its operation subject to the requirements of the CBA.

Mandatory (and Nonmandatory) Subjects of Bargaining: Under the Railway Labor Act, the parties have a duty to bargain over rates of pay, rules, and working conditions. Neither side can refuse to negotiate regarding mandatory subjects of bargaining. While most of the contents of the collective bargaining agreement are mandatory, some are not, such as pass-travel privileges, which are considered nonmandatory or permissive subjects of bargaining because they do not involve a pilot's actual working conditions.

Me-Too Clause: A clause negotiated to ensure that, if the employer agrees to more favorable terms for another employee group (e.g., larger percentage pay increase, larger share of profit sharing, or larger employer 401[k] contribution), the employees covered by the clause will receive the same terms.

Mediation: Under the Railway Labor Act (RLA), the mandatory process of negotiating with the aid of a federally appointed mediator that must be exhausted before the National Mediation Board (NMB) will release the parties in a contract dispute to engage in self-help. Either side may apply to the NMB for mediation services. Once appointed, the mediator controls the schedule and location of bargaining. The mediator serves to facilitate conversation and efforts between the parties. The time that mediation takes is not specific and it can only be terminated by the NMB. The Supreme Court has said that this process under the RLA is designed to be "almost interminable," so that the parties feel pressure to reach an agreement without resorting to self-help.

Memorandum of Understanding (MOU): In labor relations, a binding and enforceable agreement between an employer and a union. The MOU format is often used to memorialize an agreement on the proper interpretation of existing contract language, or to settle more peripheral or side issues that the parties agree do not belong in the body of the CBA.

Merger: A corporate transaction that unites two existing companies into one new company. Section 45 of the ALPA Administrative Manual sets forth the policy and procedures to be followed in the event one or more ALPA properties are involved in a merger. Policy includes procedures for forming a Joint Negotiating Committee and conducting negotiations for a Joint Collective Bargaining Agreement (JCBA), procedures for integrating the pilot seniority lists, and procedures for merging LECs and MECs. ALPA collective bargaining agreements also contain contractual protections for pilots when their airline is involved in a merger. Common protections include the application of ALPA merger policy to the seniority list integration process, a requirement that the merging airline maintain separate operations until a JCBA and single seniority list are in place, and a moratorium on furloughs for some number of years after the merger goes into effect.

Minister of Labour: The Minister of the Crown in the Canadian Cabinet (Minister of Employment, Workforce Development and Labour) who is responsible for the management of federal labour standards and federal labour dispute mechanisms.

Minor Dispute: One of two types of contract disputes under the Railway Labor Act (RLA). Minor disputes relate to the application or interpretation of existing agreements. A minor dispute is essentially another term for a contract grievance. Under the standard set by the Supreme Court, as long as the carrier can show that its actions are “arguably justified” by the contract, the resulting dispute with the union is minor and subject to the contractual grievance process. Under the RLA, the System Board of Adjustment’s jurisdiction over minor disputes is exclusive and mandatory. The RLA prohibits the courts from exercising jurisdiction over minor disputes; they must be resolved through the grievance process, up to final and binding arbitration. And unless and until an arbitrator overturns the carrier’s action, the carrier may impose its interpretation of the agreement.

National Labor Relations Act (NLRA): The principal federal law establishing the basic rights of private-sector employees (outside of the rail, air, and agricultural industries) to organize into unions, engage in collective bargaining, and take collective action (e.g., strike). The NLRA also created the National Labor Relations Board (NLRB), which conducts representation elections, and investigates and adjudicates unfair labor practice charges.

National Mediation Board (NMB): Independent federal agency responsible for administering the Railway Labor Act (RLA). The NMB consists of three presidentially appointed members, one of whom must not be a member of the president's political party. The agency is headquartered in Washington, D.C., and has very small staff by federal standards. It investigates representation disputes and conducts representation elections. It also oversees the RLA's mandatory mediation procedures, which must be exhausted before the parties will be released to engage in self-help. Upon the application of one or both parties, the NMB will assign a mediator to assist the parties in reaching an agreement. It is the NMB, exclusively, that decides when to terminate mediation, and then whether to release the parties to engage in self-help, or to notify the president that the dispute threatens to substantially disrupt commerce and deprive a section of the country of essential transportation services, so that the president may create a Presidential Emergency Board. The NMB does not adjudicate violations of the RLA (unlike the National Labor Relations Board, which has a quasi-judicial function vis-à-vis the National Labor Relations Act).

Negotiating Against Yourself: A negotiating tactic designed to induce the other side to make additional concessions without making any reciprocal movement in their direction. For example, management may reiterate its pay proposal over the course of multiple bargaining sessions in an attempt to pressure the Negotiating Committee to modify its demand, even though the company has made no moves toward the union's position.

Negotiating in Public: Making public statements about bargaining proposals or positions. Employers will use this tactic when they believe it will motivate the membership at large to put pressure on the Negotiating Committee to accept company proposals.

Nondisclosure Agreement (NDA): An agreement typically signed individually by members of the Negotiating Committee committing not to disclose specified confidential or proprietary information (e.g., business and fleet plans, financial and marketing data) presented by the company during negotiations.

On the Job Injury (OJI): When an employee is injured on the job, resulting medical costs and entitlement to replacement income are generally governed by state workers' compensation laws, which also preclude employer liability for causing an OJI. Some ALPA collective bargaining agreements contain provisions requiring the company to reimburse the pilot for emergency medical expenses and to provide a pay guarantee until the injured pilot is eligible to receive long term disability.

Opener: Each side's opening proposal in bargaining. In developing its opener, a Negotiating Committee will typically survey the membership to ascertain line pilot priorities, review and analyze pilot contracts at peer airlines to map industry standard pay and work rules, and confer with the MEC to establish bargaining objectives that advance its strategic plan. Openers may be comprehensive or limited to specific sections of the contract. The opener often sets the tone for negotiations, as it conveys not only the priorities of the pilot group, but also whether the Negotiating Committee intends to take reasonable positions supported by pilot contracts at comparable carriers.

Package: A proposal that combines offers on a group of issues. Usually a package is presented as an all-or-nothing proposition that involves trade-offs for both sides. When negotiations stall, a package that contains gains for both sides can be an effective way to regain momentum in bargaining.

Parking Negotiations: The National Mediation Board may recess or "park" mediated negotiations at any time if it believes it's useful to force one or both parties to reevaluate its position. Mediators may also use the threat of parking negotiations to motivate the parties to reach agreement when they believe that is a reasonable expectation.

Past Practice: An unwritten, repeated application of a work rule over a period of time that is known and accepted by both the employer and the employees. Arbitrators will consult past practice to judge how a contract term has been interpreted in the workplace when the language of the collective bargaining agreement is ambiguous. It is advisable for the Negotiating Committee to be aware of any practice surrounding existing contract language that is being renegotiated, since modifying or replacing language can have ramifications for whether an established practice tied to that language will continue.

Pattern Bargaining: Collective bargaining in which the union tries to apply similar pay and work rules to multiple employers in the same industry. ALPA, through the national Collective Bargaining Committee, works to establish, maintain, and advance the prevailing pay rates and working conditions for each segment of the industry by coordinating bargaining strategies with MECs and Negotiating Committees across ALPA properties.

Pay Rate: For airline pilots, the hourly rate they will be paid, usually based on equipment type, seat, and longevity. The single greatest cost item in any collective bargaining agreement. Often, pay rates are negotiated in the final phase of bargaining, along with the other major economic items.

Positional Bargaining: Bargaining based on a rigid or fixed position without regard for any underlying common interests. While not always constructive, it is difficult to avoid a “positional” approach in certain areas.

Premium Pay: Extra pay over the normal hourly pay rate, sometimes a flat dollar amount, sometimes a percentage of the hourly rate. Collective bargaining agreements may provide premium pay for pilots who are reassigned to fly beyond their original pairing or who volunteer to fly on short notice to avoid cancellation of the flight.

Presidential Emergency Board (PEB): The Railway Labor Act authorizes the president to create a PEB to investigate and report on a dispute over the terms of a collective bargaining agreement. The president may exercise discretion to create a PEB upon a finding by the National Mediation Board that the dispute threatens “substantially to interrupt interstate commerce to a degree such as to deprive any section of the country of essential transportation service.” Creating a PEB delays a strike, lockout, or other form of self-help, usually for 60 days. The PEB has 30 days to issue its report. Generally, PEBs produce recommendations for settling the dispute. After the PEB reports to the president, the parties to the dispute have another 30-day cooling-off period to consider the recommendations and reach an agreement. Failing to do so, the parties may then (absent Congress and the president enacting a statute imposing conditions) engage in self-help.

Proffer of Arbitration: When the National Mediation Board (NMB) believes that further mediation efforts will not result in an agreement, it issues a proffer of arbitration, which is an offer to the parties to arbitrate any remaining issues. If either party rejects the proffer of arbitration, the NMB releases the parties from mediation, and they enter a 30-day cooling-off period, after which (absent creation of a Presidential Emergency Board) the parties may legally engage in self-help—e.g., strike, lockout, or unilateral imposition of pay rates and work rules. While the NMB will listen to requests from the parties for a proffer of arbitration and release, it is the NMB’s responsibility to keep the parties in mediation until it has expended all reasonable efforts to reach an agreement.

Profit Sharing: A share of the employer’s profits distributed to employees that may or may not be contractually based. In the airline industry, the formula for allocating profits to employees varies across carriers. Typically, the airline sets aside a percentage of pretax profits (e.g., 10 percent) to be distributed to eligible employees. This is referred to as the profit-sharing pool. Each employee group’s share of the pool is usually based on the group’s earnings. Each employee’s profit-sharing payment is likewise usually a pro rata share based on W2 or take-home pay. Some plans provide for increased profit sharing if the company profits exceed a certain percentage margin or fixed dollar amount. Profit-sharing plans in existing pilot collective bargaining agreements typically originated in concessionary bargaining.

Protocol Agreement: An agreement between the company and the union that establishes any special procedures or rules for conducting negotiations. In pilot negotiations, protocol agreements typically include provisions for flight pay loss for members of the Negotiating Committee and procedures the parties will follow during bargaining session, in making public statements about negotiations, and in requesting/providing information.

Railway Labor Act (RLA): The federal law governing labor relations in the railroad and (as amended in 1936) the airline industries. The RLA has a number of notable features, some of which also distinguish it from the National Labor Relations Act (NLRA). The RLA has two fundamental statutory purposes: to resolve disputes between carriers and their employees and to avoid disruptions to interstate commerce. It establishes or authorizes the National Mediation Board (NMB) to establish, by rule or regulation, procedures for selecting and certifying a representative (i.e., union) including determinations regarding the craft or class (i.e., bargaining unit) and single-carrier status. Representation of a craft or class is for the carrier's entire transportation system. Generally, the RLA affords individual employees less protection from employer interference in their organizational rights than the NLRA does.

Unlike the NLRA, union security provisions (i.e., contractual requirement making union membership or payment of agency fees a condition of employment) cannot be prohibited by state "right to work" laws. Before either a union or carrier can engage in self-help activity (e.g., strike or lockout), the RLA requires the parties to make every reasonable effort to resolve their disputes and to exhaust a protracted negotiations process for resolving those disputes, including federally supervised mediation, which can only be terminated by the NMB. Until the NMB releases the parties to engage in self-help, they must maintain the status quo (i.e., existing contractual rules and objective working conditions). Otherwise, the RLA confers broad jurisdiction on the arbitral system board of adjustment over disputes about the proper interpretation and application of the collective bargaining agreement.

Ratification: The process of voting on a tentative agreement by active ALPA members in good standing. Section 90 of the ALPA Administrative Manual sets forth the procedures for ratification balloting. Members may access their ballot either online or by telephone. The balloting period is established by the ALPA vice president–administration in consultation with the MEC chairman. Typically, a ratification ballot is open for two to three weeks.

Recital: Introductory clause(s) preceding the main text of an agreement, customarily beginning with the word “whereas.” Recitals provide background information and context for the terms of the agreement. Recitals themselves do not establish any rights or obligations.

Redline: In negotiations, redlining refers to using an electronic program that shows changes to existing text using a different color and/or underlining—also known as track changes. When one side responds to a proposal by making changes to it, making those changes with redlining enables the parties (and the mediator) to track which party proposed which language.

Release: Under the Railway Labor Act, if either party refuses a proffer of arbitration, the National Mediation Board (NMB) must notify both parties that its mediatory efforts have failed and that for 30 days thereafter no change shall be made to the status quo. The NMB’s notice is commonly referred to as “release from mediation.” Thirty days after the issuance of the release (i.e., the conclusion of the cooling-off period), the parties may legally engage in self-help (e.g., strike or other job action, lockout, or unilateral imposition of work rules).

Regressive Bargaining: Making a proposal that moves backwards and away from an agreement by removing or reducing the value of items previously proposed.

Retiree Health Account (RHA): A retiree health account (a type of health reimbursement account) funded by employer money for the purposes of paying or reimbursing out-of-pocket health-care expenses or premiums incurred by an employee or a qualified dependent(s) after retirement or separation from the company.

Retirement & Insurance (R&I) Department: Aligned as part of the Representation Department, R&I has a staff of highly experienced benefits attorneys and specialists who assist MECs and Negotiating Committees with negotiations related to the retirement and insurance areas of pilot collective bargaining agreements and employee benefit programs.

Retro Pay: Back pay to cover the period between a contract's amendable date and when newly negotiated pay rates go into effect.

Rig: A pay rule that compensates pilots for unproductive pairings (i.e., pairings with a high ratio of unpaid nonflying or layover time to paid block hours). A trip rig is pay credit based on time away from base; a duty rig is pay credit based on hours on duty. A typical trip rig might be 1:3.5 (i.e., for every 3.5 hours away from base, the pilot will receive a minimum of 1 hour of pay credit); a duty rig might be 1:1.5 (i.e., for every 1.5 hours on duty, the pilot will receive 1 hour of pay credit).

Road Show: Informational sessions customarily held at some or all pilot bases, where the Negotiating Committee presents an overview of a tentative agreement (TA) to members. Road shows are usually scheduled shortly after the MEC votes to approve a TA and send it out to the membership for ratification. It is an important opportunity for the Negotiating Committee to objectively explain provisions of the TA and why they were agreed to, as well as to answer members' questions.

Scope: Contractual provisions requiring that flying for the airline be performed by pilots on the seniority list. Most ALPA contracts do not permit the use of nonseniority list pilots to operate revenue flights, except in certain very limited emergency situations. Other common scope protections include a prohibition on double-breasted and alter ego arrangements and restrictions on the ability of the company to use nonseniority list pilots to operate maintenance, test, or other nonrevenue flying.

Section 6: The section of the Railway Labor Act (RLA) that sets out the formal procedures for resolving major disputes and making changes to a collective bargaining agreement (CBA). Any party wishing to negotiate changes to its CBA must serve written notice upon the other party (known as a “Section 6 Notice”) at least 30 days before the intended change. The Section 6 Notice triggers a mutual obligation to negotiate and to refrain from making the change (i.e., must maintain the status quo) until an agreement is reached or the parties are released by the National Mediation Board to engage in self-help. While most CBAs are bargained within the Section 6 framework, other RLA agreements (e.g., letters of agreement) can and are negotiated outside of Section 6.

Section 40.3.J: The section of the ALPA Administrative Manual that sets forth the procedures for allocating lump-sum payments a company makes to an MEC for distribution to their pilot group (e.g., signing bonus or retro pay). These procedures include a procedure for pilots to appeal the MEC’s distribution methodology and for resolving such disputes.

Self-Help: The term under the Railway Labor Act for industrial warfare (e.g., strike, lockout, or unilateral imposition of pay rates and work rules). Engaging in self-help is only legal at the end of the 30-day cooling-off period after being released by the National Mediation Board, provided a Presidential Emergency Board has not been created. If either the union or the carrier engages in unlawful, premature self-help, the other side may obtain an injunction ordering a halt to the self-help and the restoration of the status quo.

Seniority: The order in which an employee was hired. Many rights and protections under a collective bargaining agreement are applied on the basis of seniority. System bidding and schedule bidding are conducted and awarded on the basis of seniority. Conversely, furloughs and displacements are applied in reverse seniority order.

Seniority List Integration (SLI): Section 45 of the ALPA Administrative Manual sets forth the procedures for integrating pilot seniority lists when two or more ALPA carriers merge. Under ALPA policy, the SLI process should not begin until there is a ratified Joint Collective Bargaining Agreement. At that point, policy provides that the MEC Merger Committees first attempt to negotiate an agreement on a fair and equitable single seniority list. According to ALPA policy, construction of a fair and equitable seniority list should take into account career expectations, longevity, and status and category. If the Merger Committees are unable to construct a single list based on these principles on their own, then the issue is submitted to mediation and, failing that, mandatory arbitration before a three-member board. The SLI process involving a merger between ALPA and non-ALPA carriers is governed by a federal statute, popularly known as McCaskill-Bond, which does not contain detailed procedures but does require the integrated list to be fair and equitable.

Severability: Refers to a provision in a contract which states that if parts of the contract are found by a court to be illegal or otherwise unenforceable, the remainder of the contract should still apply.

SharePoint: ALPA's enterprise document management platform. Organization and preparation are two keys to successful bargaining. The Negotiating Committee's SharePoint site is a secure, accessible location for organizing and storing the negotiating record (e.g., passes/proposals and negotiating notes). Maintaining the negotiating record in SharePoint also ensures continuity in recordkeeping, as the composition of the Negotiating Committee changes over time.

Short-Term Disability (STD): Partial income replacement insurance, typically limited to the first six months of being disabled, after which long-term disability insurance (if that is provided for in the collective bargaining agreement) would begin to pay.

Sidebar: A discussion that occurs away from the bargaining table, usually between the chief negotiators from either side. Sidebars are sometimes used to probe areas of settlement or to clarify questions or to share information. Sidebar talks are typically considered to be off the record.

Single Carrier: A single-carrier determination by the National Mediation Board (NMB) recognizes the integration of multiple carriers into a single carrier. As a result, previously separate crafts or classes are combined into a single craft or class. Where the predetermination employees had different representatives, an election is usually held to select a representative for the combined craft or class. Only unions can initiate a single-carrier determination proceeding before the NMB. In determining whether a single carrier exists, the NMB considers a number of factors, chief among them whether the systems hold themselves out to the public as a single carrier, and whether they have combined managerial and labor relations operations.

Single Employer: See Common Employer.

Slope: Refers to percentage change in the pay rate for each year of longevity for a particular piece of equipment and seat. Very slight adjustments in the slope can have a substantial impact on the total cost of a collective bargaining agreement.

Small Group: Refers to negotiations that do not involve the entire Negotiating Committee.

Snapback: Commonly negotiated as part of a concession agreement, a contractual mechanism whereby pre-concessionary rates or terms are automatically restored if certain conditions are met.

Snap Up: A contract term providing that pay rates will be increased automatically to match increases in pilot pay at another carrier.

Social Media: Social media and web boards are popular forms of communication among pilots about work-related issues. It is advisable for the Negotiating Committee to monitor these sites during negotiations and ratification. During negotiations and the ratification period, rumors and misinformation often spread on these sites, which may require a prompt response from the MEC. It is also important to watch for any communications that suggest potentially illegal self-help. Under federal law and ALPA policy, all members in good standing must be permitted to access the ALPA-sponsored social media site. Pilots should also be aware of their airline's employee social media policy, as these policies now claim to regulate employees' off-duty postings.

Status Quo: Under the Railway Labor Act (RLA), status quo refers to existing pay, rules, and actual, objective working conditions and practices which were in effect prior to the time a major dispute arises. Once a Section 6 Notice has been served, neither the carrier nor the employees may change current practice under the existing agreement, whether or not the practice is reflected in the terms of the written agreement, until all of the bargaining procedures of the RLA have been exhausted. Status quo may be used more broadly to refer to the prohibition on illegal self-help or unilateral changes to pay, rules, and working conditions that applies regardless of whether the parties are engaged in Section 6 negotiations. Courts have found coordinated actions by pilots intended to interfere with the airline's operations, such as writing up deferrable maintenance and refusing junior assignments or not picking up open time, to be violations of the status quo. The union may be liable for violations of the status quo by employees, even if they were operating outside the union's direction or control.

Strategic Planning: A way for an organization to lay out and prioritize its goals and objectives and to develop a timeline and resource allocation framework for achieving them. In collective bargaining, strategic planning is an important preparatory step for negotiations, which enables an MEC and Negotiating Committee to move purposefully, rather than reactively, through negotiations. In developing a strategic plan, consideration should be given the fullest possible range of internal and external information, including pilot survey data, comparative contract analysis, bargaining patterns, the airline's financial condition and outlook, industry trends, and relevant macroeconomic factors. Typically, the MEC, the Negotiating Committee, and other key committees or committee chairs participate in the planning process to ensure that there is mutual understanding and agreement on bargaining priorities and objectives.

Strategic Preparedness and Strike Committee (SPSC): ALPA committees at both the national and MEC levels responsible for coordinating and implementing strategic pressure on management, up to and including a strike. Supported by the national SPSC, the MEC SPSC develops and executes a strategic plan to generate leverage at the negotiating table through such activities as informational picketing, media campaigns, and distribution of lanyards and other pro-ALPA accessories to the pilot group.

Subject-Matter Expert (SME): A person who is an authority on, or has expert knowledge about, a particular subject. In pilot contract negotiations, the Negotiating Committee will rely on a variety of pilot SMEs, who may be invited to attend negotiations when bargaining concerns their area of expertise. Scheduling, instructors, training, grievance, and retirement are common areas where pilot SMEs with detailed knowledge of contractual rules or company procedures may participate in negotiations.

Successorship: In collective bargaining, the obligation of a successor owner/employer, in assuming control of an entity, to negotiate with the incumbent union and assume existing obligations in the collective bargaining agreement (CBA). Typically, the job-security provisions in an ALPA CBA include the requirement that the carrier make it a condition of any successorship transaction that the successor owner recognize ALPA as the pilots' representative, assume all the obligations of the CBA, and negotiate with ALPA as the pilots' representative going forward.

Surface Bargaining: A form of bad-faith bargaining where an employer meets with the union, but only goes through the motions with no real intention to bargain and reach an agreement.

Survey: A confidential poll conducted periodically during negotiations to determine the pilots' priorities and the acceptability of different possible outcomes. Surveys are both a snapshot of current pilot views and also means for gauging trends in pilot attitudes toward negotiations over time.

System Board of Adjustment: A three- or five-member board chaired by a neutral arbitrator with an equal number of union and company representatives. For each represented craft or class at an airline, the Railway Labor Act requires the carrier and the union to establish a System Board of Adjustment as the final step in the grievance process. ALPA collective bargaining agreements (CBAs) contain a specific section establishing the System Board and its procedures. The System Board hears both contract and disciplinary grievances. Typically, a System Board will hold an evidentiary hearing with sworn witnesses who are examined and cross-examined by counsel. In disputes over the meaning or application of contract language, the arbitrator will analyze the contract language at issue to determine whether the words are unambiguous on their face. When the language is ambiguous, as is often the case, the arbitrator will look to the bargaining history, including negotiators' notes, in an attempt to discern the parties' intent. It is not uncommon for members of the Negotiating Committee to be called as witnesses to testify about the parties' intent in agreeing to particular language. Decisions of the System Board (also known as awards) are final and binding, and, in contract grievances, become enforceable extensions of the CBA.

Tentative Agreement (TA): Issues or contract sections that are agreed to during bargaining and set aside as TA'd subject to agreement on a complete contract. When a contract section is TA'd, the parties typically initial two "originals," each side retaining one for their records. While it is understood that the tentative agreement is conditioned on reaching an agreement on a complete contract, reopening what has already been TA'd is generally not acceptable and may be viewed as regressive bargaining. TA is also used to describe a complete contract that has been approved by the MEC but has not yet been ratified by the membership.

Term Sheet: Often a bullet-point document listing the most important concepts of a proposal. Often proposals are passed and countered working off of the same document, where concepts that are agreed to are noted as such and counterproposals are shown by adding another column or by making redlined changes to the proposal. Bargaining using term sheets keeps the parties focused on the key concepts at issue and avoids negotiations bogging down in the details of actual contract language.

Time Value of Money: The concept that money available at the present time is worth more than the identical sum in the future due to its potential earning capacity. Provided money can earn interest, any amount of money is worth more the sooner it is received. In negotiations, the time value of money generally redounds to the employer's advantage, as the longer it takes to reach an agreement, the more employees lose that future value.

Transition and Process Agreement (TPA): An agreement, in the event of a merger involving one or more ALPA properties, on the timelines and procedures to be followed in implementing the merger as it affects the pilots. The parties to the agreement are the merging airlines, ALPA, and any other affected pilot unions. A TPA generally includes provisions regarding the negotiation of a Joint Collective Bargaining Agreement, the integration of seniority list, the maintenance of separate operations pending an operational merger, and the timing of obtaining single operating certificate. Section 45 of the ALPA Administrative Manual sets forth the procedures MECs should follow in negotiating a TPA. Individual pilot groups may also negotiate a requirement for the company to enter into a TPA as part of the collective bargaining agreement's job security/merger protections.

Turn a Proposal: Negotiating slang for making a counterproposal.

Unfair Labour Practice (ULP): Under Canadian law, where an employer, a union, or an individual has engaged in an activity that is prohibited by Part 1 of the Canada Labour Code (Industrial Relations). For an employer, this includes, among other things, interfering with the administration or formation of a union, the representation of employees by a trade union, bargaining in bad faith, coercing or unduly influencing employees to join or not join a union, retaliating against employees for seeking to join a union or union activity, etc. For a union, this includes among other things bargaining in bad faith, soliciting membership during work hours, and applying disciplinary standards of the union in a discriminatory manner. Any person may file an unfair practice complaint with the Canadian Industrial Relations Board. Complaints should be filed no later than 90 days from the date on which the complainant knew, or in the opinion of the Board ought to have known, of the incident leading to the complaint. Unlike the Canada Labour Code and the National Labor Relations Act, the Railway Labor Act provides no legal relief comparable to a ULP.

Uniformed Services Employment and Reemployment Rights Act (USERRA):

Law that protects the civilian employment of members of the armed services, including reserve units, when on active duty. Among other rights, returning service members are entitled to reemployment in the job that they would have attained had they not been absent for military service with the same seniority, status, and pay, as well as other rights and benefits determined by seniority. They are also entitled to the nonseniority rights and benefits accorded other individuals on comparable types of nonmilitary leaves of absence.

Vesting: When an employee accrues nonforfeitable rights over employer contributions made to the employee's qualified retirement plan account (e.g., 401[k]) or pension plan. An employee is always 100 percent vested in their own contributions, but may forfeit some or all of the employer contributions by separating from the employer before vesting is complete. In some plans, the employer contribution vests all at once after a certain number of years, for example, 100 percent vesting upon three years of employment with no prior vesting. This is known as cliff vesting. Other plans provide for graded or gradual vesting, where, for example, the employer's contributions vest in 25 percent increments over four years. With gradual vesting, it usually takes longer to reach 100 percent vesting of the employer contribution, but the employee receives a right to part of that contribution after one year of employment.

Voluntary Employee Beneficiary Association (VEBA): A type of tax-exempt trust used by its members and eligible dependents to pay for eligible medical expenses. The plan is funded by an employer and does not require contributions from employees. Employees must be covered by an employer-sponsored health plan to be eligible for VEBA membership. An increasing number of pilot groups have negotiated VEBAs to fund retiree health accounts.

Whipsawing: A tactic used to pit employee groups or employers in the same industry against each other, or use a recently completed contract or result to achieve the same result with another bargaining party.

Work to Rule: A type of job action where employees do no more than the minimum required by the rules of the contract, with the purpose of disrupting the employer's operation and negatively impacting productivity. Under the Railway Labor Act (RLA), work-to-rule actions prior to release and the 30-day cooling-off period may constitute illegal self-help. Courts have found that pilots have violated the status quo when they have engaged in coordinated actions such as taxiing unusually slowly, not picking up open time, or writing up maintenance issues more frequently. To the extent these sorts of activities are coordinated, they may violate the RLA.

Notes

Acknowledgement

We thank Matthew Babcock, ALPA senior labor relations counsel, for his work in producing this resource for our members.

