



# SENIORITY: *Why it's Important in the Collective Bargaining Agreement*

Most collective bargaining agreements contain an article that defines and explains seniority and how it affects other articles in the contract.

## What is Seniority?

Seniority is usually defined as an employees' length of unbroken service with the employer, with some contracts giving years of service credit for time served in the military. Employers in most contracts are required to compile and maintain seniority lists showing the employees' seniority date.

An employee's length of service with the employer is a determining factor in compensation and benefit computations, layoffs and in some cases promotions. In most public sector contracts, compensation is based on a salary range, with the employee advancing on the range in each year of service until the top step of the range is reached.

Collective bargaining agreements usually calculate vacation and or annual leave amounts based on the employee's years of service, with the number of days of vacation increasing with the increase in the years of service.

## The RIF Provision

One of most important connections to seniority in the contract is the "reduction-in-force" (RIF) provision. The majority of Local 17's contracts have RIF language based on seniority.

This provides for an objective method of layoff with the last employee hired being the first to be let go. RIF procedures based on seniority also provide an orderly method of reducing a work force without employer partiality or favoritism. Layoffs are an extremely emotional time for employees, so a more structured and understandable procedure to some degree reduces the impact on those affected by a RIF.

As negotiations continue between unions and employers, the subject of seniority is usually an issue. Employers often propose modifications to strict seniority, usually proposing an element of performance into the

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equation. They also often propose a management discretion factor, usually aimed at a skills and abilities evaluation in the RIF procedure. Employer interest in modifying seniority rights is not surprising and has been chronicled by numerous authors and arbitrators. Some have noted:

*" One of the most severe limitations upon the exercise of managerial discretion is the requirement of seniority recognition. Indeed, the effect of seniority recognition is dramatic from the standpoint of employer, union, and employee alike since every seniority provision reduces, to a greater or lesser degree, the employers control over the workforce and compels the union to participate to a corresponding degree in the administration of the system of employment preferences which pits the interests of each worker against those of all the others." ("How Arbitration Works," Elkouri & Elkouri)*

In arbitration decisions, arbitrators have also stated:

*"Seniority protects and secures an employee's rights in relation to the rights of other employees in the seniority group; it does not protect the employee in relation to the existence of the job itself. By use of an objective measure, length of service, the rights of one employee are balanced against other employee rights."(Arbitrator Carter in 79LA 1081)*

As negotiations continue between employers and unions, the discussion centers on a method to modify a strict seniority system by including other determining factors that allow some type of management discretion.

However, unions, in general, have and will continue to resist movement away from seniority, unless the replacement system contains a reasonable level of objectivity, understanding and a protection of employee rights. — *By Bill Kalibak, Local 17 Union Representative*

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