

Seniority Integrations Involving the US Airways Pilot Group: From 1968 Through 1999

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Many airlines combined over the years to form what is now US Airways. With each new combination came another pilot seniority integration. This article describes all of the pilot seniority integrations our pilot group has experienced throughout the airline's history.

The first occurred in 1968 when Allegheny acquired and merged operations with Indianapolis-based Lake Central. Merger representatives from the two pilot groups negotiated a seniority integration agreement based on date of hire with conditions and restrictions. These included a standard “No Bump, No Flush” provision, which ensured that the initial implementation of the merged list did not result in displacements, and a restriction limiting the former Lake Central pilots to a maximum of 34 percent of the jobs in each category until the twenty-ninth jet entered the Allegheny fleet. In the absence of such a restriction, Lake Central First Officers would have received 52 of the next 55 Captain bids based on their dates of hire. Restrictions of this type are designed to prevent periods of intense hiring at one of the merging carriers from foiling the promotional expectations of the pilots of the other carrier.

A negotiated solution, also based on date of hire with conditions and restrictions, was again achieved when Allegheny purchased and merged operations with New York-based Mohawk in 1972. The combination of these lists was complicated by the fact that some Mohawk pilots were on furlough at the time of the merger. The final resolution provided that the furloughees'

dates of hire were adjusted with regard to that furlough. As in the merger with Lake Central, this merger resulted in no displacements and a substantial increase in pay for the Mohawk pilots. It also resulted in Allegheny becoming the sixth-largest airline in the nation. Allegheny changed its name to USAir in 1979 to reflect its increased size and growing national presence.

In 1986, Piedmont, which would merge with USAir two years later, acquired Syracuse-based Empire. Empire was a non-union regional carrier with 156 pilots, a much smaller group than the 1,683 Piedmont pilots at the time of the merger. The Empire pilots had no work rules beyond the FARs and received only limited benefits and substandard pay. A seniority integration agreement negotiated by ALPA and Piedmont before the acquisition placed all Empire pilots in a block after January 2, 1986. The Empire pilots did not become Piedmont employees until May 1, 1986. As a result, Piedmont pilots hired between January and May, 1986, of whom there were 122, were placed junior to the Empire pilots. The seniority integration agreement also provided the Empire pilots with, among other things, career-long Grandfather rights to positions on F-28 aircraft, the most advanced aircraft in the Empire fleet, and the right to rely on their Empire dates of hire for determining their order of furlough and recall.

During the late 1980s, USAir entered its next wave of mergers and consolidations, acquiring and then merging operations with Pacific Southwest Airlines in early 1988, and with

Piedmont in 1989. Merger representatives of USAir and PSA were able to conclude a seniority integration agreement, once again based on date of hire with conditions and restrictions. One of the restrictions provided that First Officers with dates of hire from 1978 through 1982 would receive Captain upgrades based on a ratio tied to the relative size of the First Officers groups, but in no event less than two pre-merger USAir pilots to one pre-merger PSA pilot. Had the parties not included this restriction, the PSA pilots would have received most of the next 50 Captain upgrades. The restriction was set to expire after the first pre-merger USAir pilot with a date of hire after January 1, 1983, was awarded a bid for upgrade to Captain. However, because of USAir's high rate of growth during the period from the conclusion of the seniority integration agreement to the operational merger, USAir pilots with dates of hire after January 1, 1983, were awarded Captain positions on the very first combined bid, thereby causing the restriction to lapse.

USAir's merger with Piedmont remains to this day the largest merger in airline history. The merger brought to USAir a strong southern presence, transatlantic flying, and its first widebody aircraft, the B-767. Unlike previous pilot seniority integrations involving pilots of USAir and its predecessor airlines, the seniority integration of the Piedmont and USAir pilot groups was accomplished through arbitration rather than through a negotiated agreement. An ALPA Merger Policy arbitration panel chaired by Arbitrator Sam Kagel integrated the pre-merger lists based on date of hire with conditions and restrictions. In his Opinion and Award, Arbitrator Kagel noted that the two carriers were similar in many respects. They were both healthy companies, with similar fleets and nearly the same number of pilots. The two carriers had both grown, but had achieved their growth in different ways and at different rates. USAir's growth was due both to mergers and internal expansion. Piedmont had grown entirely from within, with the sole exception of its purchase of Empire Airlines.

Arbitrator Kagel commented on Piedmont's expansion: "From about 1981 through 1985, Piedmont pursued a rapid growth pattern. This included the purchase of a large number of aircraft which, in turn, resulted in accelerated pilot hiring and in Piedmont Pilots advancing to Captain positions more rapidly than such occurred at USAir." To account for this differ-

ence in pilot advancement, one of the conditions and restrictions to the date-of-hire integration provided to pre-merger Piedmont B-727 and B-737 Captains hired in 1983 through 1985 an additional job credit of four years for equipment bidding purposes. The additional job credit expired on December 31, 1992.

The conditions and restrictions also provided a career-long guarantee of B-767 positions for those holding the positions as of the date of the operational merger. They further reserved those positions to the pre-merger Piedmont pilots for two years, and pilots filling B-767 vacancies during that period likewise received a career-long guarantee to those positions. Additional conditions and restrictions addressed domicile consolidation and continued the previously-established protections for the former Empire pilots.

Other than Piedmont-Empire, all seniority integrations involving pilots of US Airways' predecessor carriers, up to and including the USAir-Piedmont arbitration, have been accomplished through a date-of-hire methodology with conditions and restrictions tailored to the facts of the particular merger. In the most recent seniority integration, however, which resulted from US Airways' purchase in November of 1997 of the US Airways Shuttle, an arbitration panel chaired by Arbitrator George Nicolau employed a different method.

The Nicolau Award consisted of a consolidated seniority list comprised of seven segments, plus a few conditions and restrictions. The seven segments were composed as follows, with all references to seniority numbers and positions as they appeared on the respective pre-merger October 1998 lists:

1. The panel placed the senior 1,292 US Airways pilots in a block at the top of the merged list. This group extended through the junior Group 1 Captain. Arbitrator Nicolau explained that the top of the combined list consisted of only US Airways pilots because Group 1 Captains were "not within [the Shuttle pilots'] pre-merger career expectations." All Shuttle pilots were placed junior to the junior US Airways Group 1 Captain, for the purpose of "leaving senior US Airways [career] expectations essentially undiminished."
2. The panel then melded the next 1,928 US Airways pilots (#1293 through #3259) on an arithmetical ratio with the senior

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67 Shuttle pilots. The panel found that the Shuttle pilots brought Group 2 jobs to the merged carrier, and therefore ratioed Shuttle Captains with US Airways Group 2 Captains.

3. The next 1,436 US Airways pilots (#3260 through #4697) were blended by an arithmetical ratio with 62 Shuttle pilots (#68 through #129). Thus, following the Group 2 Captains, the merged list combined Group 2 First Officers. On the Shuttle side, this segment of the list included all pilots from the one immediately junior to the junior Captain down to the junior First Officer. On the US Airways side, it covered the pilots from the one immediately below the junior Group 2 Captain and proceeded through the junior Group 1 First Officer. The panel explained:

[T]he Shuttle pilots, older than those at US Airways, have brought their attrition with them. As a result of that unalterable fact and their spread throughout the range, they will not attain, absent growth, the degree of advancement they would have attained if they had remained as a separate entity at the Shuttle.

The Opinion noted that 49 of the 162 Shuttle pilots reach age 60 within the next five years and 93 within the next 10. In fact, because seven of the senior 67 Shuttle pilots on the October 1998 list were already retired, 56 of the senior 67 Shuttle pilots will not be flying by the end of the year 2003. All 67 will have retired by the end of the year 2008. At the end of 2003, based on the departure from the list of ERIP and age 60 pilots, only four Shuttle pilots will remain among the senior 1,400 pilots on the combined list, with only six more in the 1400-2000 seniority range. By the end of 2008, using the same analysis, of the 3,516 remaining pilots on the integrated list, only two Shuttle pilots will remain in the top 2,000 numbers, at 1925 and 1982. We assume that the panel’s rationale quoted above derived from its recognition of this greater relative attrition rate among the Shuttle pilots, particularly among the Captains and senior First Officers.

4. A block of 161 US Airways pilots followed, from #4698 through #4858. The Opinion did not explain anything about this block of 161 US Airways pilots. They were all Group 2 and 3 and MetroJet First Officers in October 1998, were hired between March and July 1989, and have suffered no furloughs. Their placement was apparently dictated by the arbitration panel’s handling of the Second Officer issue, as described below, because all of the Shuttle pilots junior to the junior Shuttle First Officer were also junior to this entire block of US Airways pilots.
5. The arbitration panel then inserted an arithmetically ratioed group of 180 pilots consisting of 170 US Airways pilots from #4859 through #5030, together with ten Shuttle pilots, #130 through #139. These ten were all Second Officers who started their ground school at the Trump Shuttle in January 1989 and showed no furlough time. They were integrated with US Airways First Officers who were hired in the summer of 1989 and endured furloughs of from 3½ months to 1¼ years.
6. The final ratioed segment of the combined list is comprised of 190 US Airways pilots, #5031 through #5310, who were recalled to the payroll effective October 6, 1998, and 18 Shuttle pilots, #140 through #157. These 18 were Shuttle Second Officers who began their employment at the Trump Shuttle in February 1989 and January 1990 and were furloughed for periods of 3-6½ years. They were ratioed with US Airways pilots who returned to the active payroll in October 1998, after furloughs of up to 7¼ years. Arbitrator Nicolau explained the integration of these two groups as follows:

A balancing of the equities, which also takes into consideration the reasons behind the lengthy furloughs of those who have recently been recalled to US Airways’ active rolls as well as the extended furloughs endured by 18 of the 28 Shuttle Second Officers, suggests to us that the 28 Shuttle Second Officers, beginning with . . . (USS #130) and ending with . . . (USS #157) should be

distributed between US Airways unmerged #4859 . . . and #5310 . . . This would place those who have experienced furloughs and have relatively similar service in comparable positions on the list.

7. Ahead of the hundreds of constructive notice pilots, i.e., those who were hired at either carrier after the announcement of the acquisition in November 1997 (who by stipulation went on the merged list in date-of-hire order), were the five junior Shuttle pilots, #158 through #162. This last group of five Shuttle Second Officers was essentially placed at the bottom of the list by agreement.

There were four conditions and restrictions applicable to the integrated list:

1. The first of the conditions and restrictions is a standard "No Bump, No Flush" provision. It specified that the merged list would operate prospectively only.
2. The Award gave the Shuttle Captains and Shuttle First Officers two priority rights. Each group can retain their October 1998 status as Shuttle Captains and Shuttle First Officers as against those not in that status, that is, they are protected from involuntary displacement by those senior to them on the merged list who were not in that status. And if they are involuntarily displaced from that status, for example, by a reduction in staffing or by a base closure, they would hold a right to return to their respective status as a Shuttle Captain or a Shuttle First Officer. The terms of this provision did not guarantee any domicile protection for Shuttle pilots. Nor did they assure Shuttle pilots who were blockholders in October 1998 that they would have any special priority to avoid Reserve status.
3. The arbitration panel explicitly continued the Kagel Award conditions and restrictions. These included both rights arising from the USAir-Piedmont seniority integration arbitration, such as the former Piedmont pilots' B-767 Grandfather Rights, and those from the Piedmont-Empire acquisition, such as the Empire pilots' right to rely on their Empire dates-of-hire for determining their order of furlough and recall.
4. The merged list went into effect earlier this year, when an amalgamated collective bargaining agreement became effective, as specified in ALPA Merger Policy.

One surprising aspect of the Award was its handling of the hotly contested issue of the proper Shuttle dates-of-hire for those who had previously worked at Eastern Airlines. Despite a great deal of evidence on the subject, the arbitration panel declined to rule on the matter, perhaps because neither side had advocated a date-of-hire methodology. The panel apparently did not use either Eastern or Trump Shuttle dates of hire as a consideration in constructing the portion of the merged list in which the former Eastern pilots appear.

The Award came out somewhere in between the results that one or the other of these two date-of-hire methodologies would have dictated. That is, the Shuttle pilots who came from Eastern are merged with US Airways pilots hired 10-15 years, or more, after their Eastern dates-of-hire, but a few months to a few years before their Trump Shuttle dates-of-hire.

In the main, however, the US Airways pilots as a group have favored date-of-hire integrations. This preference has served us well in the past and will continue to be a guiding principle as we face the challenges ahead.

As we write this article, we have not begun any negotiations with the United pilots. Our seniority integration precedent should serve us well if and when we implement ALPA Merger Policy with the United pilots. We will continue to keep the MEC and all US Airways pilots informed as events unfold.



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