

Delta Seniority Integration Arbitration Award

On December 8, 2008, a panel of three arbitrators issued a final and binding award establishing an “Integrated System Seniority List” (“ISSL”) for the combined Northwest and Delta pilot group. The NWA pilots argued for a “date-of-hire” integration process since as a group they are more senior than the Delta pilots. Delta pilots, on the other hand, argued for a “Status and Category” approach which the panel described as:

The Status and Category/Ratio method ... proceeds by establishing a series of aircraft-based categories, the staffing of which generates discrete ratios within each of those categories. In this manner, the Delta methodology seeks to continue, post-merger, roughly the same relative pre-merger standing of the respective pilots.

Although the panel acknowledged problems with the Status and Category since it left large numbers of NWA pilots vulnerable to furlough, it adopted this approach with modifications. The panel rejected Delta’s proposal of seven (7) aircraft categories, and instead simply adopted “wide-body” and “narrow-body” groupings, two for Captains and two for First Officers - for a total of four (4) categories. To address the issue of the greater attrition among the NWA pilots who, as a group are closer to retirement, the panel employed a “Pull-and-Plug” methodology which meant the oldest 274 NWA pilots were removed from the list and then re-inserted above the next junior NWA pilot *after* the list was integrated by ratio in the four aircraft categories. As described by the panel:

The effect of [Pull-and-Plug] is to elevate all NWA pilots junior to those removed “up the ladder.” At that point, the Status and Category ratios in the four categories are calculated and applied. That done, each pulled out pilot is reinserted into the integrated list, one number senior to the pilot who was the next junior to that pilot on the stand-alone NWA list.

The purpose of the “Pull-and-Plug” is to invest the oldest NWA pilots with a “substantial, if relatively short-lived, element of super-seniority” while simultaneously investing the junior pilots with “the type of bidding power they would have wielded in the stand-alone Company.”

Finally, the panel, in seeking to protect the premium positions on the NWA B-747's and B-787's and Delta’s B-777's, established a “fence” around that flying for 5 years from the date Delta obtains its Single Operating Certificate from the FAA. As a result, no NWA or Delta pilot can be awarded or displaced to a vacancy on its counterpart’s equipment for 5 years from that date.

The effect of this award on the NWA/Delta flight attendants’s seniority is negligible. The award was driven entirely by the equipment flown by the respective work groups which is simply

not relevant to flight attendant seniority. Its worth noting that neither group obtained the full relief each was seeking, which is the predictable outcome of a “fair and equitable” seniority process. In fact, the panel noted that pre-arbitration negotiations between the pilot groups was unsuccessful since, in its view: “Each [party’s proposals] did little more than stack the deck for their own constituencies in ways that are neither fair nor equitable.”

AFA’s “date-of-hire” eliminates the uncertainty and posturing associated with fair and equitable and most significantly, a flight attendant will exit the post-merger integration process with the same relative seniority he/she entered - something fair and equitable can never achieve.