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Planes, Trains, And No Collusion!

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It's a law that most people are unfamiliar with unless they have experience in the airline or railroad industries: The Railway Labor Act (RLA). The law generally governs labor relations in those industries whereas the National Labor Relations Act controls such matters for the vast majority of other private sector employers. A federal court explained in a [recent decision](#) that employers covered by the RLA cannot be held liable for unions' breach of their [duties to fairly represent](#) their members under a theory of "collusion."

In the case, which involved an airline, two separate groups of pilots got into a significant dispute regarding seniority rights. That dispute matriculated to arbitration. An arbitration award was issued generally favoring the seniority rights of one group of pilots over the other. The union representing both pilot groups subsequently entered into a Memorandum of Understanding (MOU) with the airline regarding pilot seniority that abandoned the arbitration award. The vacating of the arbitration award negatively impacted the seniority rights of the pilots favored by that award. Those pilots believed the union had breached its duty of fair representation by entering into the MOU nixing the arbitration decision.

Being unhappy with the MOU, the pilots that wanted the arbitration award to remain intact sued the airline under the RLA for damages. They alleged the airline "colluded" with the union in its breach of its duty to its members. The airline moved to dismiss the lawsuit, and a federal court granted its motion. In finding dismissal was appropriate, the court noted: "The duty of fair

representation owed by a union to its constituents, and the union's concomitant liability for breaching that duty, derives from the text of the RLA and its framework for collective bargaining ... Nothing in the RLA's text or framework supports an expansion of that doctrine to impose liability on an employer solely for its 'collusion' in a union's breach of duty." In other words, while a union can be held liable for its own breach of duty to its members, the RLA does not permit such liability to be imposed on employers – even under a theory of collusion.

This case is notable because it shows some limits of employer liability under the RLA. It also offers a reminder that unions owe their members a duty of fair representation and can be held liable if they breach that duty.