

Glossary of Collective Bargaining Terms

Agency Shop A provision in a collective agreement which requires that all employees in the negotiating unit who do not join the exclusive representative pay a fixed amount monthly, usually the equivalent of organization dues, as a condition of employment. Under some arrangements, the payments are allocated to the organization's welfare fund or to a recognized charity. An agency shop may operate in conjunction with a modified union shop. (See *Union Shop*.)

Agreement See *Collective Bargaining*. A written agreement between an employer (or an association of employers) and an employee organization (or organizations), usually for a definite term, defining conditions of employment, rights of employees and the employee organization, and procedures to be followed in settling disputes or handling issues that arise during the life of the agreement.

American Arbitration Association (AAA) A private nonprofit organization established to aid professional arbitrators in their work through legal and technical services, and to promote arbitration as a method of settling commercial and labor disputes. The AAA provides lists of qualified arbitrators to employee organizations and employers on request.

American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) A federation of approximately 130 autonomous national/international unions created by the merger of the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO) in December 1955. More than 80 percent of union members in the United States are members of unions affiliated with the AFL-CIO. The initials AFL-CIO after the name of a union indicate that the union is an affiliate.

Annual Improvement Factor Wage increases granted automatically each contract year, which are based upon increased employee productivity.

Arbitration (Voluntary, Compulsory, Advisory) Method of settling employment disputes through recourse to an impartial third party, whose decision is usually final and binding. Arbitration is voluntary when both parties agree to submit disputed issues to arbitration and compulsory if required by law. A court order to carry through a voluntary arbitration agreement is not generally considered as compulsory arbitration. Advisory arbitration is arbitration without a final and binding award.

Arbitrator (Impartial Chairman) An impartial third party to whom disputing parties submit their differences for decision (award). An ad hoc

arbitrator is one selected to act in a specific case or a limited group of cases. A permanent arbitrator is one selected to serve for the life of the agreement or for a stipulated term, hearing all disputes that arise during this period.

Authorization Card A statement signed by an employee authorizing an organization to act as his representative in dealings with the employer, or authorizing the employer to deduct organization dues from his pay (check-off). (See *Card Check*.)

Bargaining Rights Legally recognized rights to represent employees in negotiations with employers.

Bargaining Unit Group of employees recognized by the employer or group of employers, or designated by an authorized agency as appropriate for representation by an organization for purposes of collective negotiations.

Boycott Effort by an employee organization, usually in collaboration with other organizations, to discourage the purchase, handling or use of products of an employer with whom the organization is in dispute. When such action is extended to another employer doing business with the employer involved in the dispute, it is termed a secondary boycott.

Bumping (Rolling) Practice that allows a senior employee (in seniority ranking or length of service) to displace a junior employee in another job or department during a layoff or reduction in force. (See *Seniority*.)

Business Agent (Union Representative) Generally a full-time paid employee or official of a local union whose duties include day-to-day dealing with employers and workers, adjustment of grievances, enforcement of agreements, and similar activities. (See *International Representative*.)

Business Unionism ("Bread-and-Butter" Unionism) Union emphasis on higher wages and better working conditions through collective bargaining rather than political action or radical reform of society. The term has been widely used to characterize the objectives of the trade union movement in the United States.

Call-in Pay (Callback Pay) Amount of pay guaranteed to a worker recalled to work after completing his regular work shift. Call-in pay is often used as a synonym for reporting pay. (See *Reporting Pay*.)

Card Check Procedure whereby signed authorization cards are checked against a list of employees in a prospective negotiating unit to determine if the organization has majority status. *The employer may recognize the organization on the basis of this check without a formal election.* Card checks are often conducted by an outside party, e.g., a respected member of the community. (See *Authorization Card*.)

Certification Formal designation by a government agency of the organization selected by the majority of the employees in a supervised election to act as an exclusive representative for all employees in the bargaining unit.

- Check-off (Payroll Deduction of Dues)* Practice whereby the employer, by agreement with the employee organization (upon written authorization from each employee where required by law or agreement), regularly withholds organizational dues from employees' salary payments and transfers these funds to the organization. The check-off is a common practice and is not dependent upon the existence of a formal organizational security clause. The check-off arrangement may also provide for deductions of initiation fees and assessments. (See *Union Security*.)
- Closed Shop* A form of organizational security provided in an agreement which binds the employer to hire and retain only organization members in good standing. The closed shop is prohibited by the Labor-Management Relations Act of 1947 which applies, however, only to employers and employees in industries affecting interstate commerce.
- Collective Bargaining* A process whereby employees as a group and their employers make offers and counter-offers in good faith on the conditions of their employment relationship for the purpose of reaching a mutually acceptable agreement, and the execution of a written document incorporating any such agreement if requested by either party. Also, a process whereby representatives of the employees and their employer jointly determine the conditions of employment.
- Company Union* An employee organization that is organized, financed or dominated by the employer and is thus suspected of being an agent of the employer rather than of the employees. Company unions are prohibited under the Labor-Management Relations Act of 1947. The term also survives as a derogatory charge leveled against an employee organization accused of being ineffectual.
- Compulsory Arbitration* (See *Arbitration*.)
- Conciliation* (See *Mediation*.)
- Consultation* An obligation on the part of employers to consult the employee organization on particular issues before taking action on them. In general, the process of consultation lies between notification to the employee organization, which may amount simply to providing information, and negotiation, which implies agreement on the part of the organization before the action can be taken.
- Continuous Negotiating Committees (Interim Committees)* Committees established by employers and employee organizations in a collective negotiating relationship to keep an agreement under constant review, and to discuss possible changes in it long in advance of its expiration date. The continuous committee may provide for third-party participation.
- Contract Bar* A denial of a request for a representation election, forced on the existence of a collective agreement. Such an election will not be conducted by the National Labor Relations Board if there is in effect a

- written agreement which is binding upon the parties, has not been in effect for more than a "reasonable" time, and its terms are consistent with the National Labor Relations Act. "Contract bars" in state governments are established by state laws and state agencies.
- Cooling-off Period* A period of time which must elapse before a strike or lockout can begin or be resumed by agreement or by law. The term derives from the hope that the tensions of unsuccessful negotiation will subside in time so that a work stoppage can be averted.
- Craft Union* A labor organization which limits membership to workers having a particular craft or skill or working at closely related trades. In practice, many so-called craft unions also enroll members outside the craft field, and some come to resemble industrial unions in all major respects. The traditional distinction between craft and industrial unions has been substantially blurred. (See *Industrial Union*.)
- Craft Unit* A bargaining unit composed solely of workers having a recognized skill, e.g., electricians, machinists, or plumbers.
- Credited Service* Years of employment counted for retirement, severance pay, seniority. (See *Seniority*.)
- Crisis Bargaining* Collective bargaining taking place under the shadow of an imminent strike deadline, as distinguished from extended negotiations in which both parties enjoy ample time to present and discuss their positions. (See *Continuous Negotiating Committees*.)
- Decertification* Withdrawal by a government agency of an organization's official recognition as exclusive negotiating representative.
- Dispute* Any disagreement between employers and the employee organization which requires resolution, e.g., inability to agree on contract terms or unsettled grievances.
- Downgrading (Demotion)* Reassignment of workers to tasks or jobs requiring lower skills and with lower rates of pay.
- Dual Unionism* A charge (usually a punishable offense) leveled at a union member or officer who seeks or accepts membership or position in a rival union, or otherwise attempts to undermine a union by helping its rival.
- Dues Deduction* (See *Check-off*.)
- Election* (See *Representation Election*.)
- Escalator Clause* Provision in an agreement stipulating that wages are to be automatically increased or reduced periodically according to a schedule related to changes in the cost of living, as measured by a designated index or, occasionally, to another standard, e.g., an average earnings figure. Term may also apply to any tie between an employee benefit and the cost of living, as in a pension plan.
- Escape Clause* General term signifying release from an obligation. One example

is found in maintenance-of-membership arrangements which give union members an "escape period" during which they may resign from membership in the union without forfeiting their jobs.

Exclusive Bargaining Rights The right and obligation of an employee organization designated as majority representative to negotiate collectively for all employees, including nonmembers, in the negotiating unit.

Fact-finding Board A group of individuals appointed to investigate, assemble and report the facts in an employment dispute, sometimes with authority to make recommendations for settlement.

"Favored Nations" Clause An agreement provision indicating that one party to the agreement (employer or union) shall have the opportunity to share in more favorable terms negotiated by the other party with another employer or union.

Federal Mediation and Conciliation Service (FMCS) An independent federal agency which provides mediators to assist the parties involved in negotiations, or in a labor dispute, in reaching a settlement; provides lists of suitable arbitrators on request, and engages in various types of "preventive mediation." Mediation services are also provided by several state agencies.

Free Riders A derogatory term applied to persons who share in the benefits resulting from the activities of an employee organization but who are not members of, and pay no dues to, the organization.

Fringe Benefits Generally, supplements to wages or salaries received by employees at a cost to employers. The term encompasses a host of practices (paid vacations, pensions, health and insurance plans, etc.) that usually add to something more than a "fringe," and is sometimes applied to a practice that may constitute a dubious "benefit" to workers. No agreement prevails as to the list of practices that should be called fringe benefits. Other terms often substituted for fringe benefits include "wage extras," "hidden payroll," "nonwage labor costs," and "supplementary wage practices." The Bureau of Labor Statistics uses the phrase "selected supplementary compensation or remuneration practices," which is then defined for survey purposes.

Grievance Any complaint or expressed dissatisfaction by an employee in connection with his job, pay, or other aspects of his employment. Whether such complaint or expressed dissatisfaction is formally recognized and handled as a "grievance" depends on the scope of the grievance procedure.

Grievance Procedure Typically a formal plan, specified in a collective agreement, which provides for the adjustment of grievances through discussions at progressively higher levels of authority in management and the employee organization, usually culminating in arbitration if

necessary. Formal plans may also be found in companies and public agencies in which there is no organization to represent employees.

Impartial Chairman (Umpire) An arbitrator employed jointly by an employee organization and an employer, usually on a long-term basis, to serve as the impartial party on a tripartite arbitration board and to decide all disputes or specific kinds of disputes arising during the life of the contract. The functions of an impartial chairman often expand with experience and the growing confidence of the parties, and he alone may constitute the arbitration board in practice.

Industrial Union (Vertical Union) A union that represents all or most of the production, maintenance, and related workers, both skilled and unskilled, in an industry or company. Industrial unions may also include office, sales and technical employees of the same companies. (See *Craft Union*.)

Injunction (Labor Injunction) Court order restraining one or more persons, corporations or unions from performing some act which the court believes would result in irreparable injury to property or other rights.

International Representative (National Representative, Field Representative) Generally, a full-time employee of a national or international union whose duties include assisting in the formation of local unions, dealing with affiliated local unions on union business, assisting in negotiations and grievance settlements, settling disputes within and between locals, etc. (See *Business Agent*.)

International Union A union claiming jurisdiction both within and outside the United States (usually in Canada). Sometimes the term is loosely applied to all national unions, i.e., "international" and "national" are used interchangeably.

Job Posting Listing of available jobs, usually on a bulletin board, so that employees may bid for promotion or transfer.

Joint Bargaining Process in which two or more unions join forces in negotiating an agreement with a single employer.

Jurisdictional Dispute Conflict between two or more employee organizations over the organization of a particular establishment or whether a certain type of work should be performed by members of one organization or another. A jurisdictional strike is a work stoppage resulting from a jurisdictional dispute.

Labor Grades One of a series of rate steps (single rate or a range of rates) in the wage structure of an establishment. Labor grades are typically the outcome of some form of job evaluation, or of wage-rate negotiations, by which different occupations are grouped, so that occupations of approximately equal "value" or "worth" fall into the same grade and, thus, command the same rate of pay.

- Labor-Management Relations Act of 1947 (Taft-Hartley Act)* Federal law, amending the National Labor Relations Act (Wagner Act), 1935, which, among other changes, defined and made illegal a number of unfair labor practices by unions. It preserved the guarantee of the right of workers to organize and bargain collectively with their employers, or to refrain from such activities, and retained the definition of unfair labor practices as applied to employers. The act does not apply to employees in a business or industry where a labor dispute would not affect interstate commerce. Other major exclusions are: employees subject to the Railway Labor Act, agricultural workers, government employees, nonprofit hospital workers, domestic servants, and supervisors. Amended by Labor-Management Reporting and Disclosure Act of 1959. (See *National Labor Relations Act; National Labor Relations Board; Unfair Labor Practice.*)
- Labor-Management Reporting and Disclosure Act of 1959 (Landrum-Griffin Act)* A federal law designated "to eliminate or prevent improper practices on the part of labor organizations, employers," etc. Its seven titles include a bill of rights to protect members in their relations with unions, regulations of trusteeships, standards for elections, and fiduciary responsibility of union officers. The Labor-Management Relations Act of 1947 was amended in certain respects by this act.
- Maintenance of Membership Clause* A clause in a collective agreement providing that employees who are members of the employee organization at the time the agreement is negotiated, or who voluntarily join the organization subsequently, must maintain their membership for the duration of the agreement, or possibly a shorter period, as a condition of continued employment. (See *Union Security.*)
- Management Prerogatives* Rights reserved to management, which may be expressly noted as such in a collective agreement. Management prerogatives usually include the right to schedule work, to maintain order and efficiency, to hire, etc.
- Master Agreement* A single or uniform collective agreement covering a number of installations of a single employer or the members of an employers' association. (See *Multi-employer Bargaining.*)
- Mediation (Conciliation)* An attempt by a third party to help in negotiations or in the settlement of an employment dispute through suggestion, advice, or other ways of stimulating agreement, short of dictating its provisions (a characteristic of arbitration). Most of the mediation in the United States is undertaken through federal and state mediation agencies. A mediator is a person who undertakes mediation of a dispute. Conciliation is synonymous with mediation.
- Merit Increase* An increase in employee compensation given on the basis of individual efficiency and performance.

- Moonlighting* The simultaneous holding of more than one paid employment by an employee, e.g., a full-time job and a supplementary job with another employer, or self-employment.
- Multi-employer Bargaining* Collective bargaining between a union or unions and a group of employers, usually represented by an employer association, resulting in a uniform or master agreement.
- National Labor Relations Act of 1935 (Wagner Act)* Basic federal act guaranteeing employees the right to organize and bargain collectively through representatives of their own choosing. The act also defined "unfair labor practices" as regards employers. It was amended by the Labor-Management Relations Act of 1947 and the Labor-Management Reporting and Disclosure Act of 1959.
- National Labor Relations Board (NLRB)* Agency created by the National Labor Relations Act (1935) and continued through subsequent amendments. The functions of the NLRB are to define appropriate bargaining units, to hold elections to determine whether a majority of workers want to be represented by a specific union or no union, to certify unions to represent employees, to interpret and apply the act's provisions prohibiting certain employer and union unfair practices, and otherwise to administer the provisions of the act. (See *Labor Management Relations Act of 1947*.)
- National Union* Ordinarily, a union composed of a number of affiliated local unions. In its union directory, the Bureau of Labor Statistics defines a national union as one with agreements with different employers in more than one state, or an affiliate of the AFL-CIO, or a national organization of government employees. (See *International Union*.)
- No-strike and No-lockout Clause* Provision in a collective agreement in which the employee organization agrees not to strike and the employer agrees not to lockout for the duration of the contract. These pledges may be hedged by certain qualifications, e.g., the organization may strike if the employer violates the agreement.
- Open-end Agreement* Collective bargaining agreement with no definite termination date, usually subject to reopening for negotiations or to termination at any time upon proper notice by either party.
- Open Shop* A policy of not recognizing or dealing with a labor union, or a place of employment where union membership is not a condition of employment. (See *Union Security*.)
- Package Settlement* The total money value (usually quoted in cents per hour) of a change in wages or salaries and supplementary benefits negotiated by an employee organization in a contract renewal or reopening.
- Past Practice Clause* Existing practices in the town, sanctioned by use and acceptance, that are not specifically included in the collective bargaining agreement, except, perhaps, by reference to their continuance.

- Pattern Bargaining* The practice whereby employers and employee organizations reach collective agreements similar to those reached by the leading employers and employee organizations in the field.
- Payroll Deductions* Amounts withheld from employees' earnings by the employer for social security, federal income taxes, and other governmental levies; may also include organization dues, group insurance premiums, and other authorized assignments. (See *Check-off*.)
- Picketing* Patrolling, usually near the place of employment, by members of the employee organization to publicize the existence of a dispute, persuade employees and the public to support a strike, etc. Organizational picketing is carried on by an employee organization for the purpose of persuading employees to join the organization or authorize it to represent them. Recognitional picketing is carried on to compel the employer to recognize the organization as the exclusive negotiating agent for his employees. Informational picketing is directed toward advising the public that an employer does not employ members of, or have an agreement with, an employee organization.
- Preventive Mediation* Procedures designed to anticipate and to study potential problems of employment relations. These procedures may involve early entry into employment disputes before a strike threatens.
- Probationary Employee* A worker in a probationary period. Where informal probation is the practice, a worker who has not yet attained the status of regular employee may be called a temporary employee.
- Probationary Period* Usually a stipulated period of time (e.g., 30 days) during which a newly hired employee is on trial prior to establishing seniority or otherwise becoming a regular employee. Sometimes used in relation to discipline, e.g., a period during which a regular employee, guilty of misbehavior, is on trial.
- Raiding (No-raiding Agreement)* Term applied to an organization's attempt to enroll members belonging to another organization or employees already covered by a collective agreement negotiated by another organization, with the intent to usurp the latter's bargaining relationship. A no-raiding agreement is a written pledge signed by two or more employee organizations to abstain from raiding and is applicable only to signatory organizations.
- Ratification* Formal approval of a newly negotiated agreement by vote of the organization members affected.
- Real Wages* Purchasing power of money wages, or the amount of goods and services that can be acquired with money wages. An index of real wages takes into account changes over time in earnings levels and in price levels as measured by an appropriate index, e.g., the Consumer Price Index.

- Recognition* Employer acceptance of an organization as authorized to negotiate, usually for all members of a negotiating unit.
- Reopening Clause* Clause in a collective agreement stating the time or the circumstances under which negotiations can be requested, prior to the expiration of the contract. Reopenings are usually restricted to salaries and other specified economic issues, not to the agreement as a whole.
- Reporting Pay* Minimum pay guaranteed to a worker who is scheduled to work, reports for work, and finds no work available, or less work than can be done in the guaranteed period (usually 3 or 4 hours). Sometimes identified as call-in pay. (See *Call-in Pay*.)
- Representation Election (Election)* Election conducted to determine whether the employees in an appropriate unit desire an organization to act as their exclusive representative. (See *Bargaining Unit*.)
- Right-to-Work Law* Legislation which prohibits any contractual requirement that an employee join an organization in order to get or keep a job.
- Runoff Election* A second election conducted after the first produces no winner according to the rules. If more than two options were present in the first election, the runoff may be limited to the two options receiving the most votes in the first election. (See *Representation Election*.)
- Seniority* Term used to designate an employee's status relative to other employees, as in determining order of promotion, layoff, vacation, etc. *Straight seniority*—seniority acquired solely through length of service. *Qualified seniority*—other factors such as ability considered with length of service. *Department or unit seniority*—seniority applicable in a particular department or agency of the town, rather than in the entire establishment. *Seniority list*—individual workers ranked in order of seniority. (See *Superseniority*.)
- Shop Steward (Union Steward, Building Representative)* A local union's representative in a plant or department elected by union members (or sometimes appointed by the union) to carry out union duties, adjust grievances, collect dues, and solicit new members. Shop stewards are usually fellow employees, and perform duties similar to those of building representatives in public schools.
- Standard Agreement (Form Agreement)* Collective bargaining agreement prepared by a national or international union for use by, or guidance of, its local unions, designed to produce standardization of practices within the union's bargaining relationships.
- Strike* Temporary stoppage of work by a group of employees (not necessarily members of a union) to express a grievance, enforce a demand for changes in the conditions of employment, obtain recognition, or resolve a dispute with management. *Wildcat or outlaw strike*—a strike not sanctioned by a union and one which violates a collective agreement.

Quickie strike—a spontaneous or unannounced strike. *Slowdown*—a deliberate reduction of output without an actual strike in order to force concessions from an employer. *Sympathy strike*—strike of employees not directly involved in a dispute, but who wish to demonstrate employee solidarity or bring additional pressure upon employer involved. *Sitdown strike*—strike during which employees remain in the workplace, but refuse to work or to allow others to do so. *General strike*—strike involving all organized employees in a community or country (rare in the United States). *Walkout*—same as strike.

Strike Vote Vote conducted among members of an employee organization to determine whether a strike should be called.

Superseniority A position on the seniority list ahead of what the employee would acquire solely on the basis of length of service or other general seniority factors. Usually such favored treatment is reserved for union stewards, or other workers entitled to special consideration in connection with layoff and recall to work.

Sweetheart Agreement A collective agreement exceptionally favorable to a particular employer, in comparison with other contracts, implying less favorable conditions of employment than could be obtained under a legitimate collective bargaining relationship.

Taft-Hartley Act (See *Labor-Management Relations Act of 1947*.)

Unfair Labor Practice Action by either an employer or employee organization which violates certain provisions of national or state employment relations acts, such as a refusal to bargain in good faith. *Unfair labor practices strike*—a strike caused, at least in part, by an employer's unfair labor practice.

Union Security Protection of a union's status by a provision in the collective agreement establishing a closed shop, union shop, agency shop, or maintenance-of-membership arrangement. In the absence of such provisions, employees in the bargaining unit are free to join or support the union at will, and, thus, in union reasoning, are susceptible to pressures to refrain from supporting the union or to the inducement of a "free ride."

Union Shop Provision in a collective agreement which requires all employees to become members of the union within a specified time after hiring (typically 30 days), or after a new provision is negotiated, and to remain members of the union as a condition of continued employment. *Modified union shop*—variations on the union shop. Certain employees may be exempted, e.g., those already employed at the time the provision was negotiated and who had not yet joined the union.

Wagner Act (See *National Labor Relations Act of 1935*.)

Welfare Plan (Employee-Benefit Plan) Health and insurance plans and other

- types of employee-benefit plans. The Welfare and Pension Plans Disclosure Act (1958) specifically defines welfare plans for purposes of compliance, but the term is often used loosely in employee relations.
- Whipsawing* The tactic of negotiating with one employer at a time, using each negotiated gain as a lever against the next employer.
- Work Stoppage* A temporary halt to work, initiated by workers or employer, in the form of a strike or lockout. This term was adopted by the Bureau of Labor Statistics to replace "strikes and lockouts." In aggregate figures, "work stoppages" usually means "strikes and lockouts, if any"; as applied to a single stoppage, it usually means strike or lockout unless it is clear that it can only be one. The difficulties in terminology arise largely from the inability of the Bureau of Labor Statistics (and, often, the parties) to distinguish between strikes and lockouts since the initiating party is not always evident.
- Zipper Clause* An agreement provision specifically barring any attempt to reopen negotiations during the term of the agreement. (See *Reopening Clause*.)