Union Challenge to Vaccine Mandate Hits Legal Snag

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Last week, a federal judge denied the Teamsters Local 743’s motion to compel interest arbitration over a mandatory vaccination policy. The vaccination policy took effect last month and requires all workers to receive the COVID-19 vaccination or qualify for a medical or religious accommodation. Unvaccinated workers will have paid time off deducted until their time runs out, at which point they can be terminated.

The vaccination policy was implemented by Central States Southeast and Southwest Areas Health and Welfare Pension Funds, known as TeamCare – which ironically is a Teamsters-sponsored benefits fund. The Teamsters and TeamCare attempted to bargain over the implementation of the policy over the summer, but according to the union, TeamCare was unwilling to bargain over the mandatory nature of the policy. The union subsequently filed grievances seeking a repeal of the vaccination policy, but TeamCare did not engage in expedited arbitration to resolve those grievances.
TeamCare set a return to work date of Sept. 7, 2021, and required all workers to be fully vaccinated before returning to in-person work.

The union in turn filed a temporary restraining order asking the court to block enforcement of the vaccination policy, arguing that the policy violates the bargaining units’ collective bargaining agreements by deducting from employee’s vacation leave or paid time off and creating a new condition of employment. Judge Feinerman from the United States District Court for the Eastern District of Illinois denied the motion for a temporary restraining order, saying the union did not prove the bargaining unit risked irreparable harm if the policy took effect because fired employees could still file a grievance and proceed to grievance arbitration.

In the latest chapter of this legal battle, the court denied the union’s motion to compel interest arbitration over the implementation of the policy, which would allow an arbitrator to make the final determination on the employer’s proposals and the union’s counter proposals. Judge Feinerman stated that the interest arbitration clause in the parties’ contract only applies to economic policies that cover wages and other employee benefits and that the vaccination policy “plainly is not of an ‘economic nature.’”

The court rejected the union’s argument that the policy was economic in nature because it affected the worker’s wages and benefits, stating that such an interpretation would encompass virtually every employee policy. Instead, the court held that only policies that relate to the manner in which TeamCare provides services to its members qualify for interest arbitration.

Vaccine mandates are a hot topic for all employers right now as they consider strategies for returning to in-person work. Unionized employers face the additional legal nuance of collectively bargaining over such policies with the union. As illustrated by the TeamCare case, vaccine mandates can be a source of contention leading to legal battles. Moreover, while the court denied the union’s motion to compel interest arbitration given the narrow contract language, the union still may proceed to grievance arbitration. Therefore, unionized employers should be ready to bargain with their union over a vaccine mandate and for the potential disputes to follow – especially with the Biden Board likely taking a labor-friendly view of this issue.

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