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Supreme Court Upholds Employer's Right to Arbitrate Federal Age Discrimination Claims Pursuant to a Collective Bargaining Agreement

Today, in a 5-4 decision, the Supreme Court of the United States held that a provision in a collective bargaining agreement that clearly and unmistakably requires union members to arbitrate statutory age discrimination claims is enforceable as a matter of federal law.

In *14 Penn Plaza LLC v. Pyett*, an employer, an office building operator in New York City, sought to enforce a provision in a collective bargaining agreement that required union members to submit all claims of employment discrimination to binding arbitration. Originally, the union members' claims of age discrimination were submitted to arbitration, but were later withdrawn by the union. The union members then pursued their claims in federal court. The employer filed a motion to compel arbitration, which was denied. The Second Circuit affirmed, holding that Supreme Court precedent forbids the enforcement of collective bargaining provisions requiring the arbitration of age discrimination claims.

Justice Thomas, writing for the Court, stated that the Second Circuit misinterpreted Supreme Court precedent, and explained that nothing in the National Labor Relations Act (NLRA) or the Age Discrimination in Employment Act (ADEA) precludes the arbitration of age discrimination claims. The Court also stated that an agreement to arbitrate such discrimination claims in a collective bargaining agreement can waive an individual union member's right to a judicial forum under federal antidiscrimination statutes. Lastly, the Court noted that concerns about a union subordinating an individual union member's interests to the collective interests of all union members in an arbitration is an insufficient reason to prohibit the arbitration of age discrimination claims, as union members have legal avenues for recourse against the union if such a conflict of interest occurs.

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