

Oregon Grocer Fails to Check Out USERRA, Ordered to Pay Vetsâ€™™

By Mathew B. Tully

In yet another instance of veterans' rights under the Uniformed Services Employment and Reemployment Rights Act being grossly violated, Oregon's Department of Justice and the Department of Veterans' Affairs recently announced that the Fred Meyer supermarket chain has agreed to provide back pay and pension benefits to employees who were deployed for military duty over the past seven years.

The state's Justice Department and Veterans' Affairs Department began investigating USERRA violations at Fred Meyer after several employees complained about the chain's inaccurate step wage increase and pension benefit calculations upon their return from active duty. These employees were also members of the United Food and Commercial Workers Union Local 555. Under USERRA, service members cannot be denied promotions they would have received had they not been deployed. Nor can they be denied seniority-based rights and benefits, such as automatic pay increases, because of military duty.

As part of its settlement with the Justice Department, Fred Meyer agreed to identify Oregon residents who took military leaves of absence on or after Jan. 1, 2004 and who returned to work within 90 days of discharge, and whose pay increases and pension benefits were subject to a compensation structure that takes into account time of service. The company must calculate how much it owes such workers in back pay and benefits and in the future provide step increases and pension benefits to deployed veterans as prescribed by agreement. All qualifying veterans must also be notified about the settlement's terms.

The Portland-based Fred Meyer, which operates over 130 stores in Oregon, Alaska, Washington and Idaho, employs approximately 30,000. It is a subsidiary of the Cincinnati-based Kroger Co., which is nation's largest traditional grocery retailer with over 2,400 supermarkets and multi-department stores in 31 states under two dozen local brand names such as Kroger, City Market, Jay C and Food 4 Less.

It is alarming when a division of a corporation such as Kroger, which employs 338,000 nationwide, ignores the veteran protections prescribed by USERRA. If anything, the Fred Meyer case should serve as a clarion call to employers, who need to be sure they are conforming to the law in regard to their treatment of returning service members. Veterans who believe their USERRA rights have been violated should contact a military law attorney.