

Railway Age

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National Carriers' Conference Committee withdraws contract offer to UTU

The National Carriers' Conference Committee and the United Transportation are at an impasse. Made up of BNSF Railway, CSX, Kansas City Southern, Norfolk Southern, and Union Pacific representatives, the committee met with UTU staff this week to again discuss its earlier contract offer, which “would provide substantial financial benefits and employment security to current employees. In return, we asked union negotiators to discuss proposed staffing changes that would permit us to operate trains more efficiently with fewer people.”

The UTU rejected this proposal in the spring. In a June 28 letter to transportation supervisors, the committee wrote that UTU challenged “the legality of the railroads' national bargaining proposal on staffing and consolidation of operating positions. On March 10, a federal court ruled that the union was not legally obligated to bargain nationally on that proposal. The court also agreed with the railroads that UTU would have to bargain nationally over the railroads' alternative proposal that wages be reduced to compensate for artificially high crew size. And while the federal court said the UTU was free to directly negotiate crew size issues on a voluntary basis, union negotiators have steadfastly refused to do so.”

For a second time, after two days of negotiations this week, the UTU said “no” to discussing crew staffing changes, the committee wrote. And that decision prompted the committee to withdraw its contract offer, which “included a 'no furlough guarantee for current employees as a result of any change in crew consist rules; earnings protection for up to six years for current employees on territories where one-person operations are implemented; annual wage increases or substantial bonus opportunities; significant cash payments to current employees as one-person operations are implemented; paid voluntary reserve boards for surplus employees; and voluntary separation payments for employees who wanted to retire or leave their jobs.”

The committee also wrote that the refusal to discuss staffing changes “has forced us to seek a wage freeze in order to help offset unnecessary costs to railroad operations incurred by being forced to operate assignments staffed with redundant positions. Our stand is consistent with the court ruling, which said the railroads could go even further and propose pay cuts absent an agreement with the UTU on staffing.”

According to the committee, this is “not the outcome we want. We would much prefer to put back on the table” the original contract offer. “All it would take to make that happen would be for UTU leaders to accept our invitation” to discuss staffing issues.

In a statement, UTU said: "Perhaps the carriers' chief negotiator, Bob Allen, said it best: 'We are miles apart.'

"The UTU is dismayed that in spite of record profitability and record executive bonuses--made possible, in part, through employee productivity improvements--the carriers on June 27 proposed a wage freeze for existing train service employees, a 20% permanent wage reduction for all new train-service hires, elimination of all future cost-of-living adjustments, and a very significant increase in health-care and prescription-drug cost sharing.

"The UTU is equally disappointed that that the carriers' labor negotiators rejected outright our suggestions for improved training of new and existing train and engine service employees--a position seemingly at odds with what the carriers' lobbyists are telling Congress.

"The federal mediator assigned to our negotiations has scheduled another negotiating session for 'dates to be determined in October.'

"In the meantime, the UTU will continue to press its case for improved train and engine service employee training with the Federal Railroad Administration, and we plan to participate in a July 25 FRA forum on this matter and hope the carriers will similarly participate."