

National Freight Railroads Bargaining Update

February 18, 2011

Coalition of Rail Labor Unions Again Requests Release From Mediation

“We’ve been negotiating with the nation’s freight railroads for over a year now. And while they claim that they need concessions in health and welfare from our members, all the while they continue to report record earnings. It’s time to move the process along and obtain a fair and equitable settlement for our members,” so stated IBEW President Hill in discussing the ongoing Railroad National Negotiations. Accordingly, by letter dated February 4, 2011, President Hill, as did the other Rail Chiefs in our coalition, again requested that the NMB release us from mediation and proffer arbitration to the parties.

In our last update we advised you that IBEW International President Ed Hill, along with the Rail Labor Chiefs of the American Train Dispatchers Association, the Brotherhood of Railway Carmen, the International Association of Machinists, the Transportation Communication Union, and the Transport Workers Union, had petitioned the National Mediation Board (NMB) to release us from mediation in our negotiations with the nation’s freight railroads. By letter dated December 14, 2010, the National Mediation Board (NMB) advised us that they would not release us as they felt the time for release was premature.

Following the NMB’s December 14th letter, our bargaining coalition met twice with the mediator and the railroads, the last session being held on January 25th. During the January 25th session the mediator assigned to the negotiations suggested two different proposals for settlement which, unfortunately, did not lead to agreement. It became obvious to us, and in particular to the mediator, that further mediation would be fruitless. As such, the mediator cancelled the mediation session scheduled for January 26th and did not schedule any further sessions. He advised us that he would notify the officials at the NMB that, in his opinion, the parties were at impasse and that further mediation sessions would most likely be futile.

As stated before, our goal was to reach (or be very close to) an agreement that was satisfactory to our members, or get released from mediation, by the end of December 2010. That obviously hasn’t happened. And after more than a year of negotiations and mediation it is clear to us that the only way to achieve an agreement is to get released from mediation and continue with the process.

Now that the NMB has received the organizations' second requests for mediation release, they will request that the carriers' respond, and as before we expect the carriers to oppose release. The NMB will then again have to make a decision on whether or not to proffer arbitration to the parties.

If the NMB does decide to proffer arbitration, the coalition organizations have unanimously agreed to reject the proffer. Following our rejection, the NMB would then release us from mediation, starting a thirty day time period before we could resort to self-help. However, it is certain that a Presidential Emergency Board (PEB) would be appointed by President Obama, which would then have an additional thirty days to hold hearings and issue a non-binding report with recommendations for settlement. Following issuance of the report, a thirty day cooling-off period would then begin, during which time the parties would try to negotiate agreements based on the PEB's recommendations. Failing to reach agreements, the unions and carriers would be free to resort to self-help, which on the union side means strike and on the carrier side unilateral imposition of their demands. In response to how he thought a PEB would handle our dispute, President Hill commented, "I am confident that, under the present circumstances, a PEB would make recommendations that would lead to a fair contract our members."

As so aptly put by an anonymous railroad official when referring to the health and welfare discussions in negotiations, "IBEW, TCU and the other rail unions have resisted any significant plan design changes." You can rest assured that with the profits the railroads have made over these last few years of economic strife, and in light of the record profits that they continue to make, we will stand by this position! We will keep you apprised of any significant movement.