In the Matter of

Public Hearing on
The Long Island Rail Road Dispute

(Emergency Board No. 199)

February 2, 1983
The hearing was held in the Kings’ Court, Barbizon Plaza Hotel, 106 Central Park South, New York, New York.

PRESENT:

ROBERT O. HARRIS, Chairman, National Mediation Board.
WALTER C. WALLACE, Board Member.

SPEAKERS:

LEWIS KADEN, Esquire of MTA.
JOSEPH CASSIDY, General Chairman of BLE.
ROBERT CULLEN, General Chairman of BRC.
ANTHONY D’AVANZO, Grand Lodge Deputy of BRC.
EDWARD YULE, JR., General Chairman of UTU.
MICHAEL MATTHAEI, President of PBA.
HARRY HERSH, Esquire of PBA.
WILLIAM MITCHELL, General Chairman of IAM&AW.
PAT TRAMONTANO, Chairman of RYA.
WILLIAM STYSIAK, General Chairman of ARASA.
JOSEPH SAIS, General Chairman of ARASA.
WILLIAM DALGARNO, General Chairman of ARASA.
JOHN CAGGIANO, General Chairman of IBEW.
EDWARD FUSCO, General Chairman of Sheet Metal Workers.
J.W. CRAWFORD, International President of BLE.

EXHIBITS:

Rule 40 and other excerpts from Railroad Yardmasters of America’s contract.
PROCEEDINGS

MR. HARRIS: I am Robert Harris, Chairman of the National Mediation Board. Member Walter C. Wallace and I will jointly conduct this public hearing.

The National Mediation Board is required to conduct this hearing in accordance with Section 9A of the Railway Labor Act. The hearing is the next procedural step following Emergency Board No. 199's report to the President on January 4, 1983, with recommendations for settlement in the dispute between The Long Island Rail Road and certain organizations representing 6,700 employees covered by collective bargaining agreements.

Section 9A states that the National Mediation Board shall conduct a public hearing on the dispute, if there has been no settlement between the parties, "within 60 days after the creation of an emergency board under this section ..." It further provides that each party "shall appear and provide testimony setting forth the reasons it has not accepted the recommendations of the emergency board for settlement of the dispute."

The statute was enacted by Congress in 1981 as part of the Northeast Rail Service Act and it is clear Congress recognized that commuter carriers such as The Long Island Rail Road are vested with vast public interest. Assuredly, the 283,000 passengers who ride the Long Island trains every weekday are vitally concerned with the outcome of these negotiations. Through this hearing today, the parties will have the opportunity to explain their positions and inform the public.

This hearing amounts to an innovation for the National Mediation Board in carrying out its mediation responsibilities. To my knowledge the Board has never held an open public hearing dealing with the issues in a collective bargaining dispute since its inception in 1934. The Board has adhered to the practice of maintaining strict confidentiality concerning its mediation functions. Moreover, the Board has uniformly maintained that information about its mediation efforts is privileged and immune from public disclosure, a position sustained by the courts. There is sound reason for this. The mediation of collective bargaining disputes involves persuasion in sensitive areas—all premised on confidences. The mediator is privy to the innermost hopes and fears of the parties and the role cannot flourish in the spotlight of public attention. This approach has been successful and it is with considerable pride that I point out the National Mediation Board's record of settlements is unmatched in that 97 percent of our cases have been settled without a strike.

On the other hand, the Board has shown an unusual capacity to
adapt when the need arises. The Railway Labor Act has demonstrated this in its application to divergent industries, airlines and railroads. Once again we will adapt and our approach, which we will follow today, will consider this Section 9A hearing an integral part of the mediation effort. There have been mediation efforts between the parties under NMB auspices very recently. Last week, in fact. And the NMB is prepared to assist in further meetings during the 60 day statutory period, subsequent to this hearing.

The Board will conduct this hearing to assure full compliance with Section 9A and its purposes. At the same time, the Board will act in a way that does not impinge upon or conflict with its traditional role as a mediator. It follows that the Board, in this hearing or in any other hearing under its auspices and control, will not adjudicate, arbitrate or show favor with respect to any position advanced by the respective parties. Moreover, the Board will not issue a report, comment or order on these proceedings other than the record established by the parties. Section 9A wisely does not require it and in the context of the legislative history of the Railroad Labor Act, to do so would be a serious and erroneous departure, one that would undermine the Board's ability to function as a mediator.

The Railway Labor Act of 1926 has been acknowledged to be an agreement worked out between management and labor and ratified by Congress and the President. In the hearings before Congress a key draftsman of the Act said:

"The board of mediation (which preceded the National Mediation Board) to preserve its ability to mediate year after year between the parties, must not be given any duties to make public reports condemning one party or the other, even though the board may think one party is wrong. That is the fundamental cause of failure of the (Railroad) Labor Board. That is the reason why the Labor Board machinery never would work, because a board was constituted to sit and deliver opinions which must be opinions for or against one party, and as soon as that board began delivering opinions publicly against a party, that party was sure the board was unfair to it. That is human nature. The board, in other words, was created in a manner to destroy any confidence in itself."

This statement has been quoted frequently and approved by the courts, notably by the Supreme Court.

It is our hope, in keeping with the intention of Congress, that public hearings pursuant to Section 9A in disputes involving commuter carriers, will strengthen the National Mediation Board's mediation role in achieving fair and reasonable settlements. The Board has always considered itself an impartial third party representative of the public interest at the bargaining table. Through this hearing
where the parties will publicly disclose their positions, it is our hope that informed public opinion will have a salutary impact on negotiations. At the same time the Board will carry out its responsibilities upholding our traditional standards of impartiality, objectivity and neutrality.

Each party may be represented by an attorney or an official who will make an oral presentation on the “reasons (that party) has not accepted the recommendations of the emergency board for settlement of the dispute,” in accordance with Section 9A of the Act.

Do you have any additional statements you wish to make?

MR. WALLACE: No.

MR. HARRIS: We will now proceed with the hearing, which will be on the record. Presentations of each party, including rebuttal, will be limited to the length of time as outlined in the Board’s Decision and Order, dated January 11, 1983, with which I believe you’re all familiar. Those unions which have settled their disputes prior to this hearing are not required to appear.

We’ll first hear from Mr. Kaden, on behalf of The Long Island Rail Road and the gentlemen who are with him—I know several of them. Could you introduce all of them, however.

MR. KADEN: Thank you, Mr. Chairman. Let me begin by expressing our appreciation to the National Mediation Board. Your responsibilities under the statute are important for the process of resolving these disputes.

As you indicated, the procedure set forth in Section 9A of the Rail Way Labor Act are new. This is the first opportunity the Board has had to exercise those responsibilities in the sense we’re all learning together in an effort to resolve these disputes through voluntary negotiation with the assistance of the Mediation Board.

My name is Lewis Kaden, from the law firm of Davis, Polk & Wardwell. And I appear here on behalf of The Long Island Rail Road. Let me introduce the gentlemen with me. On my immediate right is Robin Wilson, who is the President of The Long Island Rail Road. To his right is John DeSanto, who is the Vice President for Personnel Management and on his right is Walter Lysaght, who is the Director of Industrial Relations for The Long Island Rail Road. And we will proceed first with Mr. Wilson and then I will address the question of the Rail Road’s response to the Emergency Board Report Number 199. Mr. Wilson?

MR. WILSON: Thank you for the opportunity to appear here today. But in particular I would want to thank you for the mediation efforts of Mr. Dooley and Mr. Brown, who contributed substantially to the progress that we have made.

I enjoyed the privilege of signing 3 contracts on Monday, bringing
to a total of 5 of our unions that we now have signed contracts which we believe are equitable to both parties. I would clearly like to see that number rise to the full 17 as soon as possible.

Let me say that I only state the obvious, when I say that during the 1970s The Long Island Rail Road service deteriorated badly. Low priority was given to repairing and improving cars, locomotives or tracks or other facilities. As a result, we had the system, but it had frequent delays, unpleasant, uncomfortable accommodations and massive overcrowding, wide-spread inefficiency.

The system, in other words, unacceptable to riders, expensive to taxpayers, unpleasant for its employees and demoralizing for management. While we have a long way to go yet, there are clear signs that the 1980s can reverse the deterioration of the '70s. But to do so successfully, we need 3 major ingredients.

We need investment. Our inadequate, inefficient, outdated facilities must be modernized. We need skilled, energetic and cooperating management and labor groups. And we need a commitment to efficiency and good service by everybody in the railway.

I've been with the railway now almost 18 months and I believe we can point to progress on all 3 issues.

Our 5 year capital program, is the biggest structural program on this rail road since 1910. With a total investment of about $660 million dollars, which represents a real confidence and expectation by our state government that's providing most of the funds. In a recognition of the potential contribution of the rail road to our commuters, and to the economy of Long Island.

This massive investment gives us the opportunity to make improvements in service to our customers and at the same time to make for much improved working conditions for our employees. But, obviously that, by itself is not enough. We must make sure that this investment is not only good for service, it must also be good for taxpayers and fare payers, which means that we have a great responsibility not only to spend the capital funds wisely, but to use all of our collective skills to increase the efficiency of our operation.

In simple terms, we must not only provide good service, but do it at a price people can afford to pay, or there won't be a need for any of it. In fact, we have had good cooperation today, even though we've had obviously differences with our union brethren on particular issues, but they have been generally helpful in the direction that we are trying to go. We appreciate again, the help of The Mediation Board.

Our goal is a long-term, constructive relationship with the unions, but by properly serving our public, will produce benefit for both
parties. As I said to the Emergency Board, I look for the rule of reason, rather than trial by combat.

Now, to achieve that places great stress on all of us, because we're going to have to make a more productive use of all of our resources. Not only must we make intelligent use of our investments, but we must do more, with what we have.

We must now use our materials more carefully. We are conserving energy. We modify our practices, including work rules which produce inefficiency and unnecessarily high costs. All across the board, we're trying to be more businesslike in how we manage the rail road. We're controlling our inventory, tightening our schedules, updating our computer systems, modernizing our accounting systems to give us better control.

We are as managers, demanding more of ourselves. And we must continue to demand more of ourselves as managers. And to achieve that, I am very conscientiously moving towards the much more performance oriented management than the more traditional and maybe even bureaucratic management approaches.

If we are successful, The Long Island Rail Road will be a better place for its customers and its employees. Let me give you one brief example. When I took over the rail road, our freight system was in a state which could only be described as a crisis.

Our pricing system had been declared illegal, cutting our revenues by a third or more. The Federal Staggers Act gave other rail roads and truck lines the ability to undercut our rates. The Governor had declared in a message to the legislature that freight subsidies and our subsidy was substantial, were to be eliminated. And our customers, partially as a result of the recession and partially concerned that our commitment to freight was not complete, were cutting our shipments. We lost over a third of our traffic in the past 2 years.

There was every reason to believe that we might be forced out of the freight business, with a serious impact on the Long Island economy. And with the loss of several hundred jobs from the rail road.

Based on this situation, I reorganized our freight services to bring it under my direct responsibility, assuming specific responsibility for profit and loss. With the help of state officials, we developed an entirely new accounting system that properly segregated passenger and freight costs, steadily increasing the efficiency of the freight system.

We spent considerable time and effort with our customers, existing ones, to see how we could improve services and increase shipments and approaching potentially new customers to get their business. In some cases, using the Staggers Act freedoms to enter into new contracts.
Certainly we have reduced the number of people, both management and union, represented on our freight payroll, but we have turned things around. So that while we are not yet secure, there is an excellent chance that our freight service will survive and with the help of work rule changes that we are seeking in this contract there are even prospects that it might expand to the benefit of Long Island. And the benefit of the rail road and particularly to its employees who can now look to the future with much more security.

I dwell on the freight example because it's a microcosm of our larger position. We need to be efficient to provide the service Long Island needs at a price our customers can afford. But also, to provide the stability that our work force wants.

I am proud of the fact that while businesses all across the country are laying-off people, while the state and the city are considering doing the same, we have tightly controlled our hiring and overall costs to where we are not threatening to do the same.

I want a good contract. One that is good not only for our customers, but also in the long-run good for our employees in assuring productivity and enhance the stability of employment and continuation of good wages and benefits we offer.

We are clearly under major serious financial constraints, and we can only continue to thrive and progress within the rail road by using our collective ingenuity and cooperation. These contracts must continue that progress.

At last count, we had some 20,000 people seeking jobs on the rail road in 1982. That would seem to indicate that it is a good place to work and we want to keep it so. Thank you.

Mr. Kaden will get into discussion of the individual issues in respect to the Presidential Emergency Board.

MR. CHAIRMAN: Thank you.

MR. KADEN: Thank you. Mr. Chairman, let me begin before going back and reviewing the status of these negotiations and what has transpired to this date, by addressing the most important question which gives rise to this public hearing.

And that is, what is the rail road's response to the report of Presidential Emergency Board Number 199. Let me be unequivocal about that. With respect to 8 of the organizations with whom we still have open negotiations we accept the Emergency Board report point for point.

We would be prepared either this morning, or at any other time to enter a collective bargaining agreement based on the recommendations of the Emergency Board report, without exception. Those 8 organizations are the United Transportation Union; the Brotherhood
of Engineers, the Railroad Yardmasters Association and the 4 supervisory groups represented by ARASA.

Let there be no doubt about that. We accept the Emergency Board’s report. Our position should be absolutely clear on that, and the only thing holding up the execution of an agreement and the payment of wage increases, going back to January 1, 1982, to the employees represented by those 8 organizations is the rejection of the Emergency Board report by those organizations.

With respect to the 4 major shop crafts, the electricians; the machinists; the sheet metal workers; and the carmen, we accept the Emergency Board report point for point with only 2 exceptions.

We continue to believe that our position with respect to incidental work and contracting out, which the Emergency Board accepted in principle and said they would have recommended it, if the background of the negotiation, in their view, had been different, we continue to believe that our position is well founded. That those changes in the contract are good for the rail road and ultimately good for the employees. That they are drafted on the basis of changes already made and agreed to, in most respects, by the equivalent organizations in the MetroNorth Commuter Rail Road.

If those 4 shop crafts were prepared this morning, to accept our position on incidental working and contracting out and the Emergency Board’s report on all other issues, they too could execute a contract with us this morning and subject to the normal ratification procedures, receive those wage increases going back to January 1, 1982.

Let me step back and review what has happened at and brought us to this point. The current agreements in effect, expired at the end of 1981 and we have been negotiating ever since about subsequent agreements for the period beginning January 1, 1982.

With 5 groups, as Mr. Wilson indicated, we have concluded agreements. Two last spring, the Brotherhood of Rail Road and Airline Clerks and the International Brotherhood of Teamsters, representing the trackmen. And those 2 groups, as I say, we executed it. Satisfactory agreements, I think to both of the organizations and to ourselves last spring.

Those agreements included wage increases of 6 percent the first year, 7 percent the second year and 7 percent the third year and we think those wage increases are eminently fair and reasonable in the climate of today’s economy. But we also thought that our philosophy going into our negotiations was eminently sound. And that was we wanted to pay a fair wage increase. We want to use what available resources we have to make sure that our employees are well compensated for the work that they are doing.
And, at the same time we want to insure that the rail road is getting a fair day's work from each of its employees and that Mr. Wilson and his colleagues can run this rail road as efficiently as possible. Can represent that clearly and unequivocally to the Board of the Metropolitan Transportation Authority and to the elected officials of the State of New York, who have ultimate responsibility for this service, that they are doing absolutely the best job that they can to provide this service at the least possible cost. And to do that in the context of good labor relationships and good employment benefits.

We think those agreements reached last spring with the clerks and the teamsters met that test. They included significant productivity and efficiency benefits and afford the rail road with what you are familiar and included at the same time a fair improvement in economic benefits.

The same is true of the 3 contracts that Mr. Wilson signed on Monday that the MTA Board approved last Thursday. Now, those agreements are with the firemen and oilers, and the boilermakers and blacksmiths and the Brotherhood of Railway Signalmen. And those 3 contracts follow essentially the same pattern. Wage increases of 6-7-7 with productivity and efficiency changes that are significant and important to the rail road.

Let me say too, that we think it unfortunate that these negotiations have taken so long and that it has been necessary for the Board to use so much of the procedure set forth in Section 9A. That is not your fault and we do not think it is ours either.

We proposed to all 17 organizations last April shortly after April 1st, when a contract was reached between the New York City Transit Authority and the Transport Workers' Union. Mr. Ravitch, Mr. Wilson and Mr. Wilson's colleagues and I met with representatives of all the labor organizations and proposed to them a procedure for binding arbitration similar to that used between the TWU and the Transit Authority to resolve these agreements.

Had they agreed to that proposal at that time, we believe that before the summer all 17 organizations would have had satisfactory contracts concluded without any risk to the public of a disruption in service. Without any attendant confusion. Without any controversy. We continue to think that would have been and remains a good procedure to use. And at any time the outstanding groups are prepared to take up our invitation, that too, is an avenue to achieve good contracts consistent with continuous service.

Let me again indicate that we are very grateful to The Mediation Board for the mediation services and the continuing involvement that the Board has had, both before and after the activities of the Presidential Emergency Board.
Both Mr. Dooley and Mr. Brown have been extremely helpful in these negotiations and we're sure that if their services are available to us in the future, they will continue to be helpful. These disputes are not complicated. There are no wide-ranging or complex issues of principle as we see it.

This is a traditional rail road negotiation, at least in the terms that the phrase is used in 1982 or 1983. We are eager to pay our employees a fair wage. We want in return some significant changes in the contracts that will make it possible to administer the rail road more efficiently and more productively.

We're pleased that the Emergency Board saw fit to recommend that pattern. And our only hesitation about what the Emergency Board has done is in these 2 areas of incidental work and contracting out. And let me for a minute address those 2 questions.

In all other respects, the pattern that the Emergency Board recommends is a sound one. And I think that pattern reflects a few basic principles. It is that—first that the wage increase negotiated first with the clerks and the teamsters and then with the signalmen, the boilermakers and the firemen and oilers remains a good pattern settlement, the 3 year agreement of increases of 6-7-7. That in addition, the new hire wage progression, the other changes in benefits for new employees, the restrictions in appropriate groups on bidding and bumping to establish some stability in those units. That all of those changes which are incorporated in the teamster and clerks agreements, for the most part are sound and ought to be included where they fit the particular circumstances of the individual groups.

In general, the Board recommended no other change. They rejected efforts by some of the operating groups to achieve more sweeping changes in either the benefits or the operational rules governing the rail road's relationship with its engineers and conductors. Most particularly they rejected emphatically any effort on the part of the engineers to depart from the current treatment, relative treatment of engineers and conductors, in terms of pay and benefits.

Now is not the time, if ever, to depart from that status quo. We certainly are pleased that the Emergency Board so recommended. Let me address, as I said, the two areas where we differ slightly with the Emergency Board. Incidental work and contracting out.

Let me emphasize that on those two issues the Emergency Board was unequivocal in support of our position—in support of the merits of our position. They were concerned, however, that those issues had not been thoroughly developed in the prior negotiations and they thought, erroneously, we believe, that those issues had not been
included in the negotiations with other groups in circumstances where they might have been relevant.

And they pointed to the contracts executed with the teamsters and clerks and the tentative agreement as they described them with the firemen and oilers, boilermakers and blacksmiths and signalmen. We believe that the record is clear and the Emergency Board saw it this way, that we did raise the question of incidental work and contracting out in the earliest stages of negotiations. And secondly, we believe it is clear also, at least in our judgment those issues did not have much pertinence to the negotiations with the teamsters and clerks.

It is possible to describe circumstances where the ability to perform a task incidental to the main assignment, though outside one's jurisdiction could have some bearing on some functions performed by the clerks. Could have some bearing on some functions performed by the trackmen. And indeed the contracting out issue might conceivably have some relationship to clerks and teamsters. But in both of the commuter rail roads with which the MTA is involved, both MetroNorth and The Long Island, we have seen those 2 issues as fundamentally a shop craft issue.

The contract concluded in MetroNorth with the clerks and the trackmen do not make significant changes in incidental work and contracting out. On the other hand the contracts concluded with the electricians and the carmen represented by the TWU and the tentative agreements reached so far with the machinists and sheet metal workers do address those issues. In fact, it is the one significant, outstanding issue that has held up the sheet metal workers' contract.

But those issues are resolved with the machinists as they were with the electricians as they were with the carmen. Each of those issues, let me emphasize, is fundamentally a shop craft issue. The ability to assign incidental tasks to employees capable and qualified to perform them.

Notwithstanding the fact that those tasks while incidental to the main assignment are outside the jurisdictional boundaries. And at the Emergency Board hearing we gave lots of examples. I don’t want to burden you with them again. But, that ability, which is an issue that has been discussed and negotiated in rail road negotiations all over the country in recent years is essential to a productive and efficient management of shop craft assignments.

It's essential as has been recognized in the national rail road agreements on what is known as “running repairs” or “tasks performed outside the main repair shops”, but it is also essential as is recognized in the MetroNorth agreements in the main shops as well.
And it will be even more so as the capital program of The Long Island Rail Road is implemented and the new shops come on stream with the potential to do repair work on a much more efficient basis.

Let me emphasize as we have in MetroNorth as well, that we do not see the incidental work provision as a technique for reducing the number of job opportunities or the number of employees. It has nothing to do with that issue at all.

And indeed, in the Long Island, given the job stabilization agreements that are in the existing contracts that we prepared pursuant to the Emergency Board's recommendation to carry forward in the subsequent contracts, it is clear that an incidental work rule will not have any effect on job opportunities.

We see it rather, as a significant item in the productive management of the shops and we think these organizations ought to be able to accept it here, as they have elsewhere and we are eager to continue negotiations with those four shop crafts towards that end.

The same is true of contracting out. In some respects, the existing agreements provide contractual restrictions. In other respects, the law imposes the restrictions on the ability to contract out without first negotiating about that decision. As the rail road goes into a period of significant capital expenditures and wide-ranging improvements and equipment and machinery and facilities, we believe that the ability to make those decisions, particularly in circumstances where there is no impact on the number of job opportunities is vital.

In the case of the shop crafts, the kind of work that we're talking about, contracting out, is not work that will be done side by side with the employees, to an overwhelming proportion. It is work that would be done outside the Long Island facilities and therefore does not involve the particular sensitivities of contractors' employees and rail road employees working side by side. Such as would be the case, for example, contracting out work of signalmen or contracting out work of trackmen.

The fact is that we've been successful in negotiating contracting out provisions in MetroNorth and the Transit Authority and that at least in the case of the Transit Authority, we have lived successfully with those provisions. We have had extensive consultations with the union and I think it is the experience of both the union and the management that those provisions have worked to mutual benefit.

There is open and free discussion about contracting out plans notwithstanding the fact that the contract gives the Authority in that case, the right to decide to implement it, the determination under certain circumstances as it sees fit. That provision, too, we think
should not be a great burden to settlement and we’re eager to pursue that issue too with the 4 shop crafts.

In other words, we accept the Emergency Board’s report completely with respect to the 8 organizations I mentioned. I may have left out the PBA in my list, but they are part of the 8. The engineers, the UTU, the police, the yardmasters and the 4 ARASA groups. That is the 8 to which I referred. With respect to the 4 shop crafts, we accept each of the Emergency Board’s recommendations and in addition we would like to pursue our position on incidental work and contracting out.

We don’t really see any reason why these negotiations can’t be brought to a speedy conclusion. We don’t think it is good for either the employees or the rail road to have these negotiations continue 13 months after the effective date of a wage increase.

Unlike the clerks, the teamsters, the signalmen, the firemen, the boilermakers, the employees represented by these other 12 groups are not getting the wage increases that we are prepared to pay them back to January 1, 1982. That can’t be good for the employees or their families. And we don’t think it’s particularly good for the rail road either, to have a certain proportion of our work force collecting their 1982 benefits and another proportion not. At the same time, we don’t think it’s good for the rail road, for us to be in a position of implementing the productivity and efficiency changes, the work rule changes negotiated with those 5 groups, and not getting the benefit of those productivity changes, with respect to 12 others.

That kind of dichotomy is not in the long-run consistent with Mr. Wilson’s efforts to improve the rail road. He had made, as you might be well aware of and in this respect, I think I speak for the MTA, because neither Mr. Ravitch nor Mr. Scannell could be here today. But I think it is generally understood at the MTA and in the State of New York that Mr. Wilson and his colleagues have made enormous strides towards improving the operation and the reputation of this rail road.

It is a better place to work than it was before he arrived. And it is a better rail road on which to ride. There is much work left to be done and his plans promise considerable progress in the months and years ahead. Those efforts will be facilitated by a speedy resolution of these negotiations.

We’re grateful to the Mediation Board for its efforts. We remain available to negotiate in any manner you or anyone else thinks would be productive, and we sincerely hope that it will not be necessary to have to resort to further procedures of Section 9A. And we will be able in the not too distant future to have a ceremony to sign the remaining 12 agreements between the labor organizations repre-
resenting the Long Island's employees and The Long Island Rail Road.

Let me just add one other point. The press reports this morning indicate we may hear some statements when the unions get their turn this morning about issues that we would consider completely extraneous. We have good relationships with these labor organizations. We're eager to maintain them. We're eager to resolve the issues having to do with wages, hours and conditions of employment.

And if anybody stands up here and says that an issue in these negotiations is the salaries paid to management employees or the expenses of the rail road and the management on the administrative side, let me anticipate by saying that that is nonsense.

The policy of the MTA is to recruit and pay for the most talented managers they can find. They are proud of the management team that has been put together at the rail road. They would like to be able to recruit still more competent managers and to pay the price the marketplace requires for good rail road executives.

We make no apologies about any of that. Indeed, we wish the circumstances were such in the economy generally and in the State of New York that we could reward these managers better for the job they're doing to improve the rail road. And indeed, we hope and wish the circumstances become better in the future, so that the economic constraints that govern collective bargaining may not be so strict.

It doesn't please me particularly that the employees working on the Metro-North commuter rail road receive benefits so much inferior to those of the Long Island. It may be good for the employees of the Long Island, that they are the best compensated in the country, when you take pension and other benefits together with wages, but it's not particularly a source of pleasure for us that we have other employees in the MTA performing exactly the same tasks for much lower benefits.

That suggests, on the other hand, the wisdom of both the labor organizations and ourselves accepting the Emergency Board's report as it pertains to wages and benefits and quickly executing these contracts, so that their members can enjoy the benefits of those agreements.

If there are any questions, we will be—I or my colleagues would be pleased to answer them. Otherwise that concludes our presentation.

Mr. Chairman: Thank you, Mr. Kaden, Obviously you have not used up your allotted time. And if after the unions have presented their case, you wish any type of rebuttal it will be available to you.

Mr. Kaden: Thank you.

Mr. Chairman: Thank you. We will next hear from the Brotherhood of Locomotive Engineers. Mr. Cassidy and anyone he wishes to have accompany him.
Mr. Crawford: Mr. Chairman, I would like to introduce myself. I'm J.W. Crawford, International Vice President for the Brotherhood of Locomotive Engineers. Mr. Joseph A. Cassidy, the General Chairman of adjustment on The Long Island Rail Road for the BLE. He makes the organization presentation and will introduce himself and his committee.

Mr. Cassidy: Good morning, Bob, Walter. I'm Joe Cassidy, the General Chairman of the Brotherhood of Locomotive Engineers on The Long Island Rail Road. To my left is Robert Foster, who is the Vice Chairman of the organization.

Obviously, because we are here,—

Mr. Chairman: Excuse me. Why don't you, for the record, introduce the gentleman to your right.

Mr. Cassidy: I'm sorry. This is Joe Crawford, who did introduce himself.

Mr. Chairman: Who's a Vice President of the—

Mr. Cassidy: He's the International Vice President of the Brotherhood of Locomotive Engineers.

Mr. Chairman: Thank you. Excuse me.

Mr. Cassidy: As I said, we are here specifically because we reject many of the Board's recommendations. Now, initially, the Board has stated that and recommended that a pattern settlement be established based upon the contracts which were negotiated and signed by the International Brotherhood of Teamsters and the Brotherhood of Railway and Airline Clerks. Now, in those contracts the preponderance of trade-offs and the concessions that were made in those contracts had to do with newly hired employees.

Now, let me define new hires as they're used in those contracts. It does not mean people who are recently hired. What it does mean, is it has to do and concessions were made in regard to people who are not yet employed on The Long Island Rail Road.

The trade-offs for those people who are not here as yet, had to do with personal leave days, sick days and holidays and starting salaries at 80 percent of the scale. Which would be incrementally raised over a period of years to 100 percent of the scale.

The company never made the sort of demand of us. Never asked for that sort of trade-off. Hence, the *quid pro quo* as the Board saw it, and recommended, had to do only with active engine service employees. The pattern of settlements can not apply to us. It is unfair.

We say of the issues that were settled by the International Brotherhood of Teamsters and the Brotherhood of Railway and Airline Clerks were merely window dressing, in regard to newly hired people. Now, I have enough faith in the negotiating ability of John Mahoney of the International Brotherhood of Teamsters and Ed
Hanley, the Chairman of the Brotherhood of Railway and Airline Clerks that they would not injure their people or their political career by doing something that might damage either.

If it is not window dressing, if it is not window dressing, then it is reasonable to assume that for The Long Island Rail Road to realize any appreciable offset by the 6-7-7 percent settlement, then they must hire a considerable number of people in the future in those departments. But where this organization is concerned, the Brotherhood of Locomotive Engineers, the job opportunities in engine service look bleak. Particularly when we look at the following recommendations.

First, the Board recommended we combine our 4 classes of service into 3. Everything which is not to be considered as freight or passenger service would come under the general purview of what the Board has recommended as a general service. Now, this takes into account, not another work rule. It takes into account about 7, or 8 or 9 work rules. There was no such treatment where the International Brotherhood of Teamsters or the Clerks organization is concerned. We do not fit that pattern as well. This only deals with active engine service employees.

In addition, the Board recommended that people who are in freight service, do general yard switching. The work of another classification of the recommended general service people. That means jobs. They also suggested that passenger men wash trains, which is presently the duty of people who are engaged in the yard service. And what the Board recommended as general service.

Now, we showed to the Board that in 1945 the Brotherhood of Locomotive Engineers’ roster was some 730 people. In 1971 that number dwindled to 632. In 1982, that number dwindled to 485. To acquiesce or to yield to the Board’s recommendations in this regard would bring us down to the number of 400.

Now, if you consider this in light of the fact that the rails had been supersaturated with trains, to the tune of 800 per day, today, as opposed to the 400 trains of this date that were operated in 1971, we have then the most productive organization at least on this property. The loss of job opportunities in engine service has been staggering here. And the Board here recommended that it yield to the carrier’s demands for additional job loss opportunities. Job opportunity loss.

The company sought relief from the administration—the administrative hardship of effectuating displacement of junior employees by senior employees. The Board recommended that minor crew assignment revisions should not provide a basis for that displacement. Yet, the Board did not treat the issue of people who are displaced and have no place to go. And who are disseminated
throughout the rail road's property, for whatever reason. There is no specific job for those people.

In addition, it did not treat the issue, an error of omission we feel, of a "Trim Rule". A displacement rule where men lose a considerable amount of time as a result of that displacement. It's a holdover rule from the 1980 contract that was to have been negotiated and has been negotiated with other unions. There's no time-loss by these other unions. But, where we are concerned, we lose a considerable amount of time and we have yet to negotiate the item.

At a recent meeting, the carrier has acknowledged that over the last 4 years no other craft on the property has had to endure a furlough, except this organization. We live under a microscope. The manpower needs here are planned in the most minute detail where this craft is concerned.

The carrier suggests that we reduce the training program from the present 18 month period to 15 months. And the Board recommended the same. Certain carrier officials do acknowledge the inadequacies and the deficiencies in the present training program. This organization fails to see how a reduction of the length of time will somehow improve that.

And though the suggestion deals with newly hired people and the length of time that it will actually partake in the program, it does not affect the wage scale or benefit package for these people and we reject the recommendation.

The Board has suggested that engineers make public address announcements on these trains. The Board also acknowledges that it is the work of trainmen, as it is the conductor's work on the city subway system, which is presently in vogue. But apparently The Long Island Rail Road is plagued with the same sort of problem that the New York City subway system has in this regard.

The Board quotes the rail road definition of incidental work and it reiterated that "where work on a job calls for the performance of an incidental amount of work of another craft and that since incidental work rules are not part of any pattern of The Long Island Rail Road, we do not recommend them here." Now, as I said, the Board has acknowledged that the work of making announcements, engineers making announcements is formerly trainmen work, or recommend it as formerly being trainmen work, but should now be subsumed in the classification of engine service employees. The engineers.

The Board said that it would not treat the issue of incidental work with any other union. What they are recommending here is just that. That we do incidental work.

And, lastly we ask that the Board recommend the restoration of the historical differential, which was formerly enjoyed by locomotive
engineers over any other members of the train crew. The Board said that nothing in the record warranted changing that. It acknowledged the fact that “they realized that this differential exists on AMTRAK, CONRAIL and METRO NORTH”, where conductors have general charge of the trains. Even on the New York City subway system, that same differential exists between the conductors and the engineers.

If the Board sees nothing in the record to warrant changing that and giving effect to the historical differential, which had been assured would continue subsequent to 1972. The Board also suggests that our complaint is not that the pattern would not produce a fair wage, but that conductors have been offered the same pattern. We disagree.

The wage scale that has produced a pattern of inequity cannot be deemed as fair by this organization. We do not begrudge any other craft its just due in negotiation. But, we do resolve to cure an inequitable situation, which is akin to a sore, which has been festering for some 10 years now. And what has heretofore been a very conservative labor organization, has become one which is considerably more adamant in its position.

We feel that the increases recommended by the Board do not create earnings for locomotive engineers commensurate with their duties and responsibilities as compared to those of other classifications of employees here. We reject those recommendations.

MR. CRAWFORD: So, we will dispense with any other what had become political features and in order to get the show on the road, we will dismiss ourselves if the Board has nothing more for us.

MR. CASSIDY: Well, does the Board have any questions of us?

MR. CHAIRMAN: Thank you very much. If you later decide you need additional time you will be free to come back.


MR. CHAIRMAN: Thank you very much. We will next here from the Brotherhood of Railway Carmen. Mr. Cullen, Mr. D'Avanzo and anybody else you wish to have accompany you.

MR. CULLEN: Good morning, gentlemen. My name is Bob Cullen. I am the General Chairman of the Brotherhood of Railway Carmen, Local 886. And to my right is Mr. Anthony D'Avanzo, Grand Lodge Deputy from the International. I promise to be brief.

The Carmen's organization relishes this opportunity to appear before this Board. It appears that the unions represented on The Long Island Rail Road are again breaking new ground on collective bargaining as defined under the Railway Labor Act.

We have been asked here today, to give our reasons for rejecting the recommendations of the President's Emergency Board. The Brotherhood of Railway Carmen prepared a submission which was
presented to the President's Emergency Board. We felt that this submission was clear and concise and stated our position in an extremely comprehensive manner.

A great deal of effort, time and labor went into this presentation, which was prepared by James J. Kilgallon of Ruttenberg, Friedman, Kilgallon & Associates. I have a copy of the submission—yes?

MR. CHAIRMAN: Do you wish that to be made part of this record?
MR. CULLEN: No. I can't do that because this is the only copy I have.
MR. CHAIRMAN: That's perfectly alright. We have—you have—
MR. CULLEN: Of course.
MR. CHAIRMAN: But it will not be printed as part of the record then. We'll just refer to it as available.

MR. CULLEN: Alright. Fine. When we had the opportunity to read the President's Emergency Board's report, it became quite evident that our submission had not been given proper consideration.

It is not our intention to restate our position here today. Rather, we would respectfully suggest that our submission be given the consideration it so justly deserves. We had responses to the Board's report and that's the only response we intend to make. Thank you very much.

MR. CHAIRMAN: Do you have any further questions?
MR. D'AVANZO: That's all we have to say.
MR. CHAIRMAN: Thank you very much. The next union to appear will be the United Transportation Union, Mr. Yule. And anyone you wish to have accompany you. Off the record.

(Off the record.)
(On the record.)

MR. YULE: I don't know. I guess we're ready to go here. Mr. Harris, members of the Board, I'm glad we're finally getting around to this step on Section 9A.

MR. CHAIRMAN: Would you for the record, introduce?
MR. YULE: Okay, sir. My name is Edward Yule, Jr., General Chairman, United Transportation Union. Next to me is Martin F. Burke, Vice General Chairman of the United Transportation Union. We're here at your command and in compliance with the Railway Labor Act and hopefully at some point to get a settlement.

I believe the purpose of this Board is for reasons why we do not accept the President Board's recommendations, which we are not accepting. And not to negotiate. However, I should state that we are willing and ready to negotiate anywhere in a forum in public, in the john, anywhere you want.

Our reasons for not accepting the Board's proposal are that the Board's—number one, the Board's report is unclear, in certain areas. I spoke to Mr. Anderson Chairman of the Board. He admitted it was
unclear in certain areas. We had no meeting with the Presidential Board for interpretation or clarification of what it meant.

At a meeting on January 25th, 1983, with Federal Mediator Frank Dooley and officials from Long Island Rail Road, we kicked around what did the report mean in certain areas. Like personal days. What did they recommend them for or did they not recommend it.

Mr. Dooley said he didn't write the report. He didn't know what it meant. Ask the rail road. We asked the rail road. They didn't know. They didn't write it either. I didn't write it either. No one knew what they meant, but the rail road stated at that meeting, they were willing to accept it, even though they didn't know what it meant.

Another indication that it was a one-sided Board. The Board's recommendations were not impartial. As was stated previously by Mr. Kaden, Attorney for the MTA, Mr. Ravitch offered us this Board in April. With the exception of one member. I mean. Mr. Ravitch offered us this Board to go to binding arbitration, the same as the New York City Transit Authority.

This Board heard the case on the New York City Transit Authority, made recommendations and binding recommendations. This Board also was appointed by the President of the United States on Board number 198 to hear the arguments with, between the unions and Metro North.

They heard those arguments and made recommendations. This Board is now appointed by the President of the United States to hear the dispute between The Long Island Rail Road and the Unions. It's unreal to me how this Board could be fair and impartial when they're hearing 3 subsidiary groups of the MTA and making recommendations. How they could deviate from one to the other. However, they did deviate. They gave us a worse settlement than the recommendations they did concerning the Transit Authority.

I can't believe that, you know, I'm not saying individuals. I can't see how those individuals on the Board could do anything else but what they did. They were in the box and they could not recommend anything else.

What I'm maintaining is the Board was supposed to be fair and impartial. It's not. It cannot be. It's not designed to be, the way they've been appointed.

The Board probably took in the financial status of the MTA. The settlements in the area. Well, they didn't go with the settlements in the area. Even, Mayor Koch, as cheap as he is, he gave the city workers better settlements than that's been offered by the MTA to us. And they're just as broke as the MTA is.

The Board didn't even recommend to us what was, in full, what was given to the other unions that had reached an agreement. Medical
coverage, retirees, sick pay, whatever have it. We’re not exactly sure what the Board recommended. All I know is they recommended less than what other unions have signed for before us. They did not address the work rules, that are issues that are important to the labor force. These minor problems that have become discontent over the years. Never addressed them.

We’re asking for a rule, just to bring up one that should be non-economic. That is that the conductor should have the right to refuse to take the train out that has no heat, light, air-conditioning, toilets, tiles coming up, doors falling off, radios that don’t work, P.A. systems that don’t work. No. He just does not have that right. As long as it has wheels and brakes, that’s the extent of it.

They do not want to go into that. They do not want to talk about it. The rail road has a rule that 801, where conductors have general charge of the trains to which they are assigned. They’re responsible for the safety and care of their respective trains and passengers. These are the written words of the carriers. Actions speak louder than words. The conductors are restricted from correcting the unsafe conditions. Told to report them, but they don’t have the right to do anything to correct them on a train. Somebody falls off a train, the conductor has to explain how it happened and where he was. If he knows. Chances were that he was no where near the incident. But no one should fall off a train. There shouldn’t be a broken door on the train.

They receive standard instructions. Keep the train moving. Do the best you can. The rail road has a tremendous on time performance. It has improved greatly. But at what expense? The callous attitude of the rail road has resulted in a conductor being harrassed on many occasions. Being assaulted by passengers and being injured. Injuries to both passengers and employees due to the equipment.

I owe it to my constituents to protect them from these abuses. The carrier has increased its management. Maybe even overstaffed them. And all they do is to make sure the conductors are in proper uniform and neat appearance. Which they should be. No question about it. But they don’t go out and check whether the defects—if somebody says, hey you are worrying about my uniform, but you don’t have a size for me, how about this door that’s falling off.

I came in on a train this morning, that I’ve been on before and the car number was 2915. Their door has been stuck closed now for 2 weeks and the toilet overflowing. It’s been reported for 2 weeks. It’s still there.

The people are on the conductor’s back. I heard them. I didn’t make—it’s my luck to walk into it again. Therefore, we feel that the right to have the conductor make the decision at the point of leaving a
town or whether a train is safe or unsafe or has major defects, he should have the right to refuse taking it out without fear of reprisal from the carrier. That's why we asked for such a rule.

You hear a lot on P.A. systems. Nobody makes announcements. No wonder. They don't work! Some trains have 2 people in 10 cars. You try going through making announcements in each car when you don't even know why it stopped. The radio doesn't work. The P.A. doesn't work. It doesn't have wings to fly over the train in front of it. You cannot get to every passenger. You have the conductor continuing to put out rules to make this announcement, that announcement. They ought to try doing it themselves.

I'm getting away from myself. I'm not here to gripe. I guess. At the Board's oral presentation, the Presidential Board's presentation on December 20th, Mr. Ravitch cried poverty. No money in the coffers. How broke they were. The next day the State legislature authorized the 2 percent tax on business firms in New York. They made mass transit. Since that time, more money has been appropriated.

One, a gasoline tax. $75 million dollars. 2 Federal grants. $26 million dollars. And other State subsidies. Just for the MTA. It proves money can be obtained.

The Presidential Board allowed the MTA to cry wolf. The MTA says there is no money, yet it gets money when it's needed. They get it for themselves, for management raises and they will bring that up. But not for labor.

After that hearing on December 20th, and 21st, a couple weeks later, I believe, the newspaper comes out with that the Governor of the State of New York, Governor Carey says the whole thing was a farce. The MTA didn't need any money. Publicly comes out and says that. It's a farce. What the hell are we expected to believe.

My members pay their taxes. Now, the Board wants them to contribute more to the MTA by recommending less than full raises. Why does labor on The Long Island Rail Road have to pay more than other citizens living in the York area?

Other municipal and government workers outside the MTA receive more realistic wage increases. City employees, state employees, county and town employees. Another glaring defect with this Board's recommendation is its biased, chose the MTA's position on the union issues. They never addressed them. Just said they ran over them. Further confirmation of the Board's lack of impartiality is the acceptance of this Board by the MTA's approach of requiring the UTU, this organization to pay for everyone else's pay raises, by giving significantly, by requesting. No, we're not giving them. By requesting significantly greater demands for give-backs from our organization.
These give-backs were not uniformly required of all unions in equal amounts of value. The Board, while talking about union raises and the ability to pay, has ignored the fact that The Long Island Rail Road has granted management employees basically 15 to 41 percent increases during 1982.

Even before the additional funding was known to be available, this fact was documented to the Board. I made a written presentation stating the salaries and names of the people and the amount of percentage increases they received. I have it. I believe you people have it. If not, I'll give it to you again. It was in our submission to the Presidential Board in December. They made no mention of that.

It's pretty odd for my members to know about management as getting such large increases in one year. And they're getting, they're being offered 6 percent and management has tripled, quadrupled that in one year.

Mr. Wilson, the President of the rail road, said the rail road is running better. He's right. It is running better. Mr. Kaden, attorney for the rail road said that they're happy to pay management. Well, they're doing a good job. If they had it, they would pay them more.

Well, the rail road is running better. The management is doing a big job. But so are the employees. Where are they in the picture? They can't get nothing done without the workers. They certainly deserve equal treatment. The worker is the one that does the job. The management forces have increased 15 percent. I believe in the last couple of years. While the number of employees has declined.

The Board's report to the President is not a fair report on a true economic status of The Long Island Rail Road. Nor, a fair report to the President on those issues raised by the union. All they did was to address those issues raised by management.

The 9A procedure, that's the amendment to the Railway Labor Act that we're under is now being tested for the first time. And I submit it does not benefit labor, only management. This law is so messed up, that, you know, we—still to get a clear interpretation on how it's designed and what it's supposed to do, clearly favors management.

The way I look at it, we had a contract that expired December 31st, 1981. We started negotiating allegedly. in October, 1981. We're now into February, 1983 and the reality of it is another Board can be appointed, the union will strike on April 5th if no settlement is reached. And that's a fact. But the reality is that another Board can be appointed. It would just be, you know, it's not beyond the realm of possibility that the next Board, if one is appointed could be the same people that were on the last Board. I don't know where we would go from there. This Board this 9A, is really, to put it bluntly, whoever
designed it must have had a wet dream. So, that's all I can say to that. That's—

At least under Section 10 of the Railway Labor Act if we were under that, this contract would have been settled and chances are we would not and probably without a strike. There is no incentive for management to really want to settle the little issues that they might consider little and we consider big until Section 9A runs its full course. They take the chance that even then the unions would be so worn down that they wouldn't want to strike.

And the reality of it is, the unions aren't going to want to strike. Nobody wants to strike. But we will, if that's what we have to do. The way this law is set up, under 9A, it's practically impossible, in my opinion for employees to receive strike benefits. I can't see anyway possible that the employees can receive strike benefits.

I would ask that this Board, this National Mediation Board, if it's possible, take a month, if you can't get an agreement within the next 10 days, to have the next Presidential Board come in then. Why wait until April? It appears we started with an impasse with management. We requested the services of your Board. The National Mediation Board.

You came into the picture. You tried your best. You reached an impasse in November. In December. A Board is appointed pursuant to the law. A Board, so far, we have not resolved the contract. You people are now back into the picture again. Chances are very likely we'll go into another Presidential Board. They'll make recommendations. You same people will come back again. And it goes on and on. The end result is we're not going to be worn out. We might get older, but the fight is still there.

The National Mediation Board, which you people represent and are the members of and the Chairman of, has no input into the Presidential Board's recommendations. You can't pick one side as you stated. Which side is better. Which is not. I'm not picking on the Mediation Board by no means, but I'm certainly picking on the Presidential Board and not the members, but the way it was set-up, and the box they're in they could not get out of. And the President, himself, for appointing a Board that has to be partial to the MTA, that works with the city, that works with the state and that handles 3 separate—3 disputes under the same Metropolitan Transportation Authority.

Three different contracts. It makes recommendations and each one is different than the other. But the recommendations are basically the same. The end result is that we don't like the Presidential Emergency Board report. We wouldn't be surprised if you people didn't like it. I mean, you people—the Mediation Board either.
I don't believe you people can be reached by the MTA. I certainly believe that the Presidential Board can certainly be reached by the MTA.

Reached in a way that they have to be influenced by them. They deal with them on three separate railroads, so far—three separate authorities. There's no way for them not to be biased.

Do you have any questions? It depends on all I want to say as I said in the beginning, we're ready, willing and available to go 24 hours around the clock, seven days a week. We have no desire to drag this thing out. It is not to our benefit. It's not to our members' benefit. But we're not going to get a contract we don't like shoved down our throat, and the end result is, whatever day comes, we will strike. Have any questions? I'll be glad to answer them.

MR. WALLACE: No questions.

MR. CHAIRMAN: Let me just clarify the record in the case that the Board has no power under the law, the 9A, to change the time periods. We only came in in accordance with the statutory language and if the language requests—orders us to have a hearing at this time, it doesn't give us the right to shorten the period or to do anything else and we are not involved in the question of whether another Board is appointed in the expiration of this period. That's only to clarify the record. I mean, we're aware of it.

MR. YULE: Fine.

MR. CHAIRMAN: Thank you very much, Mr. Yule.

MR. YULE: Okay.

MR. CHAIRMAN: For your presentation.

MR. YULE: Fine. Thank you.

MR. CHAIRMAN: We will next hear from PBA. Mr. Matthaei and anyone you wish to bring with you.

MR. HERSH: Good morning, gentlemen.

MR. CHAIRMAN: Off the record for a second. Mr. Hersh—wait a second.

(Off the record.)

(On the record.)

MR. CHAIRMAN: Okay. Go ahead.

MR. HERSH: My name is Harry Hersh, from the law firm of DeMartin, Kranz, Davis & Hersh. I represent The Long Island Railroad, PBA. Simply, the way I understand—

MR. CHAIRMAN: Could we just interrupt you? With you is . . .?

MR. HERSH: Mike Matthaei, the President—

MR. CHAIRMAN: Of the PBA.

MR. HERSH: Simply, as I understand our role today is that we were called upon to explain why we have rejected the Presidential Board recommendation and put very candidly and very simply, the
Presidential Board gave only perfunctory consideration in our opinion, to our demand, to our submissions and to our presentation on December 20th.

We spent a considerable amount of time in our paperwork and in our presentation on December 20, explaining that our 190 approximately 195 men and women in our units are in a unique position because we are a police unit. We have police powers pursuant to the criminal procedural law. We have special training. We have very specific type of duties which involve, obviously law enforcement, investigation, detective work and every day that we go on the force and every day that we go on duty, we’re exposed to the inherent risks of our work, which includes, of course, getting hurt, being maimed and even dying.

All of that seems to have been ignored by the Presidential Board. And was not addressed. The Long Island Rail Road, during negotiations and during the presentation on December 20th and today, again. I heard Mr. Kaden discuss productivity and how he needs more efficiency on the rail road. He’s got it from our unit and he’s had it for a long time.

Their own record that we conveyed to the Presidential Board back on December 20th, which was a study done by the Chief of Police, indicates that in 1981 we responded, and again I remind you that we only have 185 people in the unit. We responded to 14,000 police incidents. That we wrote almost 4,000 summons. That in 1980, we made 567 arrests of violations, misdemeanors, felonies, which included robberies and rapes and that in 1981 we almost doubled that number by making 907 arrests.

So, we don’t want to hear any discussion about productivity. We’ve had it with that issue for that unit and it’s been brought up every time that we sit with the rail road and every time that we have a formal meeting of this nature.

We have asked on the last presentation, that if you want to make a true comparison of our unit, don’t make it in comparison to other crafts on a rail road. Make it for instance, with Transit Police, that also comes under the jurisdiction or auspices of the MTA.

In fact, we said during the December 20th presentation and we repeat it today, again, that we will accept the transit contract, in whole even if it means a payout for us. And I repeat that. Even if it means a payout. Why? Very quickly, look at some of the comparisons.

Transit police works 243 days a year. We work 260. We’ll accept the 243. Transit police get $1 a day annuity for every police officer. We get none. Transit police has 27-day vacation. After one year of service. We get 25 after 15 years. Transit police have unlimited sick time. We have 12 a year. Transit police have 20 year retirement, at
any age. We have 20 years only when we obtain the age of 50. Transit police have the vested retirement system at 15 years and then a full vested at 20 years. We have vested again, only 20 after we reach the age of 50. Transit police have $4 accidental disability retirement. We have no in line of duty retirement. Transit police have uniform allowance of $500. We have $265. They have 2 blood days off. We have none. They have recall time. We have none. They have portal to portal pay. We have none. They have night differential that goes from 4 p.m. to 8 a.m. We have it much shorter. From 6 p.m. to 6 a.m. They have longevity, at $200 after 5 years of service. We have $100 after 5 years. And I'm only touching some of the items.

If you want to make a true comparison, make it with other police units. Make it with police units in Suffolk and Nassau and some of the villages. Make a comparison with New York police that incidentally, I'm sure this Board's aware, received a package that went from 7-8 percent, I believe or 8-8 percent. That's the true comparison.

Now, the Board dealt with some of our special issues. And just to give you an indication of what they did with them. We explained to the Board during the last presentation that we have a rule where The Long Island Rail Road can appoint 5 percent of our men to special jobs, ignoring seniority. We told them we want to do away with that rule. The Board said let's abolish that rule and make it 10 percent instead of 5 percent.

We asked them for a uniform allowance to take into consideration what we actually pay out of our own pockets for uniforms. Which we have accurately calculated to be about $1300 a man, when you consider uniform and equipment and so forth. We asked that that sum be expanded and made bigger. The Board recommended that you do away with uniform allowance and that you issue uniforms. That is not an appropriate way to handle the issue. Because we have 65 new men and women on the force since 1980, who have already spent approximately $1300 for their full uniform and equipment, who won't need any of that new equipment to be replaced for at least 3 years. How do we compensate those individuals? Issuing a uniform is not going to take care of that problem.

I've only touched on some of the things, but it became very obvious to me—to both myself and Mr. Matthaei that the Board ignored our presentation in large extent. Mr. Matthaei also would like to address this Board.

MR. MATTHAEI: I feel that the Presidential Board, could not have possibly addressed themselves to all the issues, that 17 unions involve. Complex issues in a span of approximately 5 to 6 weeks. It's my opinion that that Board rubber stamped the MTA proposals to a "T". By the way, that suggestion that Mr. Kaden made that we accept
a binding arbitration Board, those people that were suggested for the
binding arbitration were 2 members that have served on that
Presidential Board. Needless to say, we rejected that.

Like Mr. Hersh has just said, the productivity end of it, I won't go
into it. I have made a note of it. The document speaks for itself. We're
over a 100 percent on productivity. We cannot possibly accept the 3
year, the 5 year progression of wage increases that the Board
recommended.

The Long Island Rail Road police department has been on a
progressive wage increase for 10 years on a 3 year wage increase.
While all other crafts, all other unions on this rail road, never had
that. Except for a few unions that got it in the last contract, which
was only a wage progression for one year. The rail road has benefited
from our 3 year wage progression for 10 years.

All police departments in the Metropolitan area and the State of
New York are on a 3 year wage progression. To go back now and tell
people that they have to work 5 years is totally absurd and we will not
accept that.

This rail road, when it comes to negotiations with the Police
Benevolent Association normally and usually talks out of 2 sides of
their mouth. When it suits them, we are told that we are rail road
employees. And when it suits them again we are told we are police
officers. We are either oranges, but we are not apples and we cannot
be both.

Relative of Mr. Kaden’s statement a little while ago, that they have
excellent labor relations with most of the unions, I take exception to
that. Myself and several other union leaders on this property are not
in the position to be full time union leaders. Only the big unions have
that, so the labor leaders from the small unions are workers. I work in
uniform on the property every day.

And by being in that position, I'm being harassed constantly by
management. They take advantage of that. They cannot differentiate
when I speak to them as a labor leader and as an employee. It's quite a
problem.

I will further say that in the future, when I have further
negotiations with this rail road, I will not participate in any other
negotiations with The Long Island Rail Road, if there is a member of
the police department present.

Just last Monday, I had a negotiating meeting with the mediator,
Mr. Dooley, a captain of the police department and Mr. Lysaght and
some other gentlemen and myself, and I had sent out to my members
a newsletter explaining what is happening in the negotiations.
Yesterday I was called in by the captain and told him and he told me
that I wasn't truthful with my members, what I wrote in the letter.
Where is he coming off telling the union what to do with—with what I’m telling my union members what happened in the negotiations? He was wrong because we didn’t include the last Monday’s negotiations in the newsletter. He didn’t know the letter was written before. But this is some of the items that I have to contend with.

As far as the rail road saying that they would like to have a speedy resolution to the remaining unions that haven’t signed, I wish to point out to the Board that on the last contract negotiation, within one year period, they had contracts signed with 10 labor unions. It’s now almost 1¼ years and they only have accomplished that with 5.

The reason why they have only accomplished that with 5, frankly, if the rail road wants to negotiate and settle these agreements, I think they better get down to the brass knuckles and start talking with people that can make decisions. With all due respect to Mr. Lysaght, Mr. Lysaght cannot make a decision when I sit down and talk to him. He has to clear that with the President. Then the President has to clear that with the MTA. So, we go through layers of people that cannot make decisions.

If they want to make a speedy resolution of all these outstanding agreements, I think that The Long Island Rail Road management and the MTA, it behooves them to sit down and seriously start negotiating. Not 2, 3, 4 layers of bureaucracy.

They also signed an agreement with the Teamsters’ union where they think they did such a good job for the teamsters. They signed a rule in there that if the teamster trackworkers work in the rain, they get paid extra money for working in the rain. How about police officers? We work in the rain, snow, sleet, heat. We don’t get extra pay.

They want to contract out security guards to protect the public? I don’t understand that. Talking about safety. Some of the items that we—we are not mainly looking on big salary increases. As I told—as my lawyer told this Board before, I’m going to tell you again. Yes. We do make more money than the New York City Transit Police. Approximately 2½ thousand dollars a year. We are willing to take a $2,500 pay-cut if you make our benefits equal to that of the New York City Transit Authority, which are under the same direction and control as we are with the MTA.

Safety, police radios, 3 out of 4 days, 3 or 4 days a week, the radios don’t even work and they refuse to double up our men so they can protect themselves if they can’t get help. We do the same work—the same—exactly the same thing as the New York City Transit Police. We bleed the same, we hurt the same, we wear the same uniforms and we want to be considered as police officers. Either we are considered rail road employees, or we are considered police officers. But we
cannot be both. And as soon as the rail road starts realizing that, and sits down and seriously negotiates with us, we will have a package. Thank you very much.

MR. CHAIRMAN: Thank you very much. We will next hear from the International Association of Machinists, Mr. Mitchell. Is he here? If you would?

MR. MITCHELL: My name is William Mitchell, General Chairman for the International Association of Machinists. With me is Gerry Donaghy, who is the local Chairman on the property. I guess we’re called here to tell you why—our reasons put forth why we are rejecting the Presidential Board.

After the Board report, it was our intention and our interpretation of the rule that we would sit down and meet with the carrier, to try and give our reasons why or to formulate, try to formulate an agreement. We did not sit down with the carrier until this past Monday when they informed us that they were not accepting the Presidential Board as far as the contracting out and the incidental work issues were concerned.

It is our position that the carrier is not bargaining in good faith, putting forth at this time and at the first meeting of this Board, the issue of the incidental work and the contracting out of work. The carrier had never served upon us pursuant to the Section 6 notices, the issues of incidental work or contracting out. We had never spoken to the carrier pertaining to contracting out of work.

Mr. Kaden kept alluding to the Metro North. What the machinists have agreed to on Metro North. What has happened on Metro North. We are not bargaining Metro North agreements here. We are bargaining The Long Island Rail Road which is separate and its own entity.

We feel again it is very unfair and it is unfair for the carrier to put forth these issues at this time. We feel that the Board does not have jurisdiction over these issues either. When we sat down with the carrier, Monday they told us these were hard issues with them. We told them as far as the Emergency Board report as it came out, we did have problems with some of the issues. The new hiring package. The restriction of bidding. Some of our own issues that we had discussed, that the carrier has asked for— I’m sorry. Not the carrier, but which the Board has asked to be put aside. Some of those issues being, which we feel are imperative. Little things which the carrier would think little, but meal allowances which we feel should be brought up to date. And certain issues which are really minor, which we don’t want to get into here today and take up the Board’s time.

But, we feel that we can work off the Board’s recommendations and agree with the Board’s recommendations as far as the side issues of
the machinists organizations go and we feel if we sit down and the
carrier removes their hard positions in some of the—in the incidental
work and the contracting out and clean up some of the language that
we have to clean up on the issues we have, as far as the new hire
package and the restriction of bidding, we possibly can come to an
agreement. That's where we stand, sir.

MR. CHAIRMAN: Thank you very much, Mr. Mitchell.
MR. MITCHELL: You have any additional questions?
MR. CHAIRMAN: Thank you very much. We will now hear from the
Yardmasters, Mr. Tramontano? And anyone you wish to bring with
you.

MR. TRAMONTANO: Pat Tramontano, General Chairman, Railroad
Yardmasters of America. To my right is Frank Donagan, Vice
General Chairman, Railroad Yardmasters of America.

Mr. Harris, Mr. Wallace. We met with The Long Island Rail Road
and Mr. Dooley, last Wednesday, January 26th and at that time we
were ready to sign an agreement with The Long Island Rail Road.
During the course of the conversation, Mr. Lysaght and Mr. Olvet
informed us that Rule 40 of the Railroad Yardmasters of America
Rules and working conditions, which specifically states that the
yardmasters will make $3.00 a day over and above any train and
engine service employee they supervise was no longer in our rules.

We've had about 6 meetings with The Long Island Rail Road,
during the course of these negotiations. And at no time was the
elimination of this rule ever brought to our attention. We asked Mr.
Dooley and Mr.—or Mr. Lysaght and Mr. Olvet when this rule was
eliminated because it was reprinted in our new agreement book after
the signing of the last agreement. May 28, 1980.

They told us it was put in there by mistake by the clerk who edited
the new book. It's our feeling that if there was any change of Rule 40,
it was a change that incorporated a $0.37 an hour cost of living on the
last agreement. For the carrier to say that this rule or any rule in our
agreement is no longer there, with no written evidence to that fact,
we feel is in violation of the Railway Labor Act.

If the carrier continues to say that this rule is no longer there, the
yardmasters feel they have no recourse but to seek some help. I have a
copy of Rule 40, our last contract negotiation, and correspondence
from the rail road to the Railroad Yardmasters of America
concerning letters of understanding, changing of any part of the
agreements. I'd like to present it to the Board.

(The above mentioned documents were offered to the Board.)

MR. CHAIRMAN: That exhibit will be made a part of the record.

MR. TRAMONTANO: As to the Board's recommendations, the
yardmasters agree with most of the Board's decisions. We do have 1
or 2 reservations. The carrier and the Board asked that the yardmasters give up the Rule 3 of our agreement for a shift differential for 1 position for 2 hours. Just about every other organization on The Long Island Rail Road has a shift differential. We feel the yardmasters should be given the same consideration. Newly hired employees get a shift differential. The yardmasters, as supervisors, do not.

The yardmasters spent considerable time with a training program that was recommended to The Long Island Rail Road. The Long Island Rail Road has been working with that training program for the last year. But, because of the Board’s recommendation The Long Island Rail Road does not want to sign this training agreement, because the Board didn’t respond to it.

The yardmasters also have a problem with their “scope rule”. They feel it must be broadened to protect their craft. There have been too many instances where management employees and employees of other departments have been given yardmasters’ work. We feel the yardmasters should broaden their scope a little, just to protect their craft.

And finally, I would like to say that there were rules that were put in that the yardmasters submission that shouldn’t have been there. We were asked by the carrier to put these rules into effect and put them into our submission. But, with the Board’s decision these are going to go unanswered. We feel that the carrier won’t address these issues, unless it’s in a Section 6 and now that they are in the Section 6, because of the Board’s recommendations they refused to handle it. That’s the main reasons that we’re rejecting the Board’s recommendations. I have no further—

MR. CHAIRMAN: Thank you very much. We appreciate it. We will next hear from the Supervisors. As I understand it, there are 3 unions—3 parts of the Local that are together and then 1 will be heard from separately. We’ll hear from representatives 851-A, 853 and 857, of ARASA. Go ahead. And then when they’re finished, we will hear from 851.

The large microphone is for the people in the room. The small microphone is for the recording for the records, so if you’ll move them across and introduce yourself and—

MR. STYSIAK: My name is Stysiaek. William M. I represent the Supervisors in the Locals 851-A and 857. I will speak on their behalf now. We cannot accept the wage pattern as the Presidential Board number 199 suggests of 6 percent, 7 percent and 7 percent for our people, the same as the people we supervise.

We have taken a good hard look at the Board’s recommendations and believe we see room for movement within the pattern settlements
as we see them. We have not discussed changes in the job stabilization. It is not part of the pattern settlement. We are in the past and we will continue to make ourselves available to both the Mediation Board and The Long Island Rail Road to reach an agreement. Thank you.

Mr. Chairman: Thank you very much.

Mr. Sais: I'm Joe Sais and the General Chairman of the Supervisors' Union 853. Presidential Board number 199 recommended a 6 percent, 7 percent and 7 percent wage increase over a 3 year period. In exchange for these increases the Board recommended that we give up our sick leave plan and our tour of duty rules and we accept the new hire package. This price is too high and inconsistent with the pattern of settlements already established.

One major issue of our wage equalization, the Board avoided making a recommendation by suggesting a joint management labor study. We have traveled this road before. We have had late management studies and feasibility studies or would make it as results.

I am prepared to continue the negotiating process until a fair and equitable settlement is reached. Thank you.

Mr. Chairman: Thank you very much.

Mr. Dalgarino: My name is Bill Dalgarino. I am General Chairman of ARASA 851. This morning Mr. Wilson stated that he had the pleasure this week of signing 3 agreements for 6 percent, 7 percent and 7 percent. Mr. Kaden also stated that he was willing to sign the remaining groups today.

Mr. Kaden defended the wages of the managerial personnel and wished it were possible to pay them more. I would remind Mr. Kaden that supervisors are part of management. Mr. Kaden also had objections to some portions of the Board number 199 and so do we.

The ARASA 851 organization is agreeable to the wage pattern established in the Metropolitan area. 6 percent in 1982 and 7 percent in 1983 and 7 percent in 1984. This basic settlement has been settled upon subway and bus operators in Metro North and the 5 unions which have signed agreements on The Long Island Rail Road.

At no time has an organization settled for less than the basic agreement and at no time has this offer been put on the table for all of the ARASA supervisors. I can assure this panel that the ARASA Lodge 851 will not now and never will agree to less of a wage settlement than the one given to the people that we supervise.

Supervisors with the International Brotherhood of Teamsters settled for 6 percent, 7 percent and 7 percent. Supervisors with the Brotherhood of Rail Way Signalmen were given the same package. I would like to call upon The Long Island Rail Road to negotiate in good
faith so that an equitable settlement could be reached by all the people that we represent.

There are several comments I would feel I would—must make in reference to the report of Board 199. The restrictions of bidding were never at any time discussed during negotiations and has no relationship to the people we represent. The job stabilization provision as agreed to by some Long Island Rail Road unions is not acceptable or requested by the ARASA.

The Board also reported and recommended night differential and meal allowances be granted at the wage of over 30 minute meal period. This is now enjoyed by the majority of employees at The Long Island Rail Road and as recommended by the Board, all supervisory employees represented by ARASA be accorded the same benefits as are provided to the employees whom they supervise.

On page 25, the Board recommended that supervisors be treated no less than the people they supervise and refused to change benefits as they would then receive less than what they now enjoy. This, gentlemen, concludes my statement and I thank you for the opportunity to be represented here today.

MR. CHAIRMAN: Thank you very much. Any questions? Thank you. We will next hear from the IBEW, John Caggiano. And anyone that you have accompanying you. Why don’t you, for the record, introduce—

MR. CAGGIANO: Okay. I’m John Caggiano, General Chairman of the IBEW, Local Union 589 for The Long Island Rail Road Electrical Workers. To my left is Mr. Charlie Weber. He is President of our Local. To my right is our international representative, Mr. Jack Bove.

Mr. Chairman, members of the Board, I’d like to report on why we have not reached an agreement with the Rail Road following the Emergency Board’s report. After the Emergency Board’s report to the President, dated January 4th, I was contacted by Federal Mediator, Mr. Frank Dooley.

I was asked at that time if I would be willing to meet once again with The Long Island Rail Road management, in order to try to reach an agreement based upon the Board’s report. I agreed. This meeting was held on January 20th, 1983. During that time I stated the following: That the IBEW would accept the Emergency Board’s number 199’s recommendations pertaining to our organization.

At the same meeting The Long Island Rail Road management rejected the recommendation of the Emergency Board with regard to 2 issues. These 2 issues are presently standing in the way of a tentative agreement with our organization.

They are the incidental work rule and the contracting out of work.
The Emergency Board did not recommend and I repeat and emphasize, did not recommend that The Long Island Rail Road be given either of these 2 rules.

Five organizations have already signed agreements with The Long Island Rail Road. None of these agreements contain either of these 2 rules. And contrary to Mr. Kaden, the blacksmiths and boilermakers are a craft union, have signed an agreement and do not have either of these 2 rules.

The Long Island Rail Road management has chosen to be selective to items contained in the Emergency Board’s report and not in fact to accept the entire report as presented. But, if the MTA would accept the Emergency Board’s report, our organization, the IBEW, would have a tentative agreement. Unfortunately, they chose not to. At this time, I’m sorry to say that, and I have to apologize to the riding public, because they are going to be made to pay for the MTA’s stubbornness.

If the MTA insists on having these 2 rules in our agreement, we have no choice but to strike The Long Island Rail Road. That’s all I have to say.

MR. CHAIRMAN: Thank you very much. Thank you very much. We will now hear from Mr. Fusco on behalf of the Sheet Metal Workers International Association. And anyone who is accompanying him.

MR. FUSCO: I’m Edward J. Fusco, General Chairman, Sheet Metal Workers of the District of Council of Rail Roads. To my right is John Covello, Local Chairman, Sheet Metal Workers on The Long Island Rail Road.

We reached an agreement with The Long Island Rail Road back in December. And that applied to our employees, the agreement. We thought we were bargaining in good faith with people who had the right to sign a contract.

We find that the Metropolitan North are people who are the bargaining agent for Long Island Rail Road and we are being chastised in this thing. We negotiated an agreement on Long Island for sheet metal workers on Long Island. Not for sheet metal workers over on the Metro North and we intend to do the same thing down at Metro North. Negotiate with the Metro North. And this is a strike issue with us.

We do not intend to sit down again over those issues. Thank you.

MR. CHAIRMAN: Thank you very much. Do you have anything to ask? I believe we have now heard from all of the unions who do not have agreements with The Long Island Rail Road. Am I correct? Is anyone here who represents a union that we’ve overlooked somehow?

Alright, Does—is there a representative from The Long Island Rail Road here, and if so, do they wish any additional time to report any—

MR. LYSAGHT: No, Mr. Harris. Thank you.
Mr. Chairman: Thank you very much, Mr. Lysaght. Is there—are there any of the unions at this time that have not used up their time that wish to add anything to the record?

Mr. Crawford: Mr. Chairman, The Brotherhood of Locomotive Engineers has no desire for further time.

Mr. Chairman: Thank you very much, Mr. Crawford. Anyone else? Well, then the Chair will rule that this hearing is completed. The record, when made available to the Board will be printed and will be available to all the parties.

The Board, in its mediatory functions will be contacting the parties who have not reached agreement with The Long Island Rail Road and The Long Island Rail Road, to schedule additional mediation sessions.

Mr. Wallace, do you have anything to add?

Mr. Wallace: No, I don’t.

Mr. Chairman: Thank you, all of you, for your patience and attention.

(Whereupon, at 11:59 a.m., the hearing was adjourned.)
CERTIFICATE

This is to certify that the foregoing transcript in the matter of:
PUBLI C HEARING ON THE LONG ISLAND RAIL ROAD DISPUTE
Before: NATIONAL MEDIATION BOARD
Date: FEBRUARY 2, 1983
Place: NEW YORK, NEW YORK
represents the full and complete proceedings of the aforementioned matter, as reported and reduced to typewriting.

NEAL R. GROSS
APPENDIX A

Submission of the

RAILROAD YARDMASTERS OF AMERICA

RULE 40
Rates Of Pay

(a) All rates of pay granted to employees represented by the organization signatory hereto are shown in the rate charts.

<table>
<thead>
<tr>
<th>TITLE</th>
<th>7/1/78</th>
<th>1/1/79 (Coe/Cola)</th>
<th>8%</th>
<th>6%</th>
<th>3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yardmaster Training (Class A)</td>
<td>10.062</td>
<td>11.162</td>
<td>12.055</td>
<td>12.778</td>
<td>13.161</td>
</tr>
</tbody>
</table>

(b) The wage differential established between Yard crews and Yardmasters by the June 15, 1970, Wage Agreement shall be maintained.

(c) Such wage differentials shall be based on basic hourly rates only, exclusive of any monetary compensation which may be added as a result of adoption, abrogation or modification of rules.

(d) The dollar differential between the class of Yardmasters will remain as in the existing contract.

The basic daily rate of pay for Yardmasters (Class C shall be $3.00 per day over the basic daily rate of pay of any engine or train service personnel whom they supervise whichever is the higher.

(e) Carrier will institute a program to have all employee paycheck stubs reflect such information as the number of hours worked straight time, overtime, night differential pay, holiday pay, and earnings and taxes on a year-to-date basis.
APPENDIX B

MEDIATION AGREEMENT

NMB CASE NO. A-10441

This Mediation Agreement executed at Jamaica, New York, this 24th day of May, 1980, by and between The Long Island Rail Road Company and its employees represented by the Railroad Yardmasters of America.

WITNESSETH that the parties have in mediation conference at Jamaica, New York, arrived at a full, final and complete settlement and/or disposition of all issues between said parties contained in the above-numbered docket of the National Mediation Board.

IN WITNESS WHEREOF the parties have attached to this Mediation Agreement a document (for reference only and not made a part hereof) which reflects such full and final settlement of all issues involved in the above-numbered docket.

IN WITNESS WHEREOF the parties hereto have signed this MEDIATION AGREEMENT at Jamaica, New York, that day and year first above-written.

FOR THE RAILROAD YARDMASTERS OF AMERICA:

By: ________________________________

John Jackowski
General Chairman

FOR THE LONG ISLAND RAIL ROAD COMPANY:

By: ________________________________

James J. Miller
Acting Chief Personnel Officer

Approved:

By: ________________________________

Richard Ravitch
Chairman, MTA-LIRR
I. WAGES

1. Effective January 1, 1979, the thirty-seven cents ($0.37) Cost-of-Living Adjustment paid under current Agreements shall be added to all hourly and daily rates of pay.

2. Effective January 1, 1979, all rates of pay in effect as a result of the adjustment referred to in paragraph 1 shall be increased by seven percent (7%).

3. Effective January 1, 1980, all rates of pay in effect as a result of the increase referred to in paragraph 2 shall be increased by eight percent (8%).

4. Effective January 1, 1981, all rates of pay in effect as a result of the increase referred to in paragraph 3 shall be increased by six percent (6%).

5. Effective June 1, 1981, all rates of pay in effect as a result of the increase referred to in paragraph 4 shall be increased by three percent (3%).

6. Retroactive payments shall be granted only to current employees for services performed in 1979 or 1980 and, on a pro-rated basis, for employees who during the years 1979 or 1980: 1) retired; 2) died; 3) resigned while having a vested right to a pension under The Long Island Rail Road Plan of Pensions; or 4) those employees who may have been dismissed and subsequently reinstated or rehired prior to the date of this Agreement.
II. HEALTH & WELFARE BENEFITS

1. Effective January 1, 1980, current rules of agreements which provide the Carrier contribute $15.00 per month for a family with dependents and $4.40 for single employees toward a plan of dental-care benefits will be increased to $20.00 and $9.40 per month, respectively, for such eligible employees.

2. Effective January 1, 1980, current rules of agreements which provide the Carrier contribute $1.86 per month for a plan of vision care benefits will be increased to $2.00 per month for such eligible employees.

3. Changes negotiated nationally during the term of this Agreement to that national plan commonly called, "Contract Policy GA 23000," will be extended to employees covered by this Agreement, except as such changes duplicate benefits coverage already provided by the Carrier.

4. Where any current benefit is duplicated by the above-mentioned national negotiations, such national benefits will not apply to employees covered by this Agreement; the parties to maintain coverage for such benefits under the current Labor-Management Benefit Trust.

5. At the option of the Union, the increased contributions mentioned in paragraphs (1) and (2) above may be deferred until January 1, 1981, in which case the increased contributions will be at the combined amount of $10.28 per month rather than at $5.14 per month.

6. The increases, or portions thereof, mentioned in paragraphs (1) and (2) above, or in paragraph (5) above, may, at the option of the Union be taken for equivalent cost benefits reasonably acceptable to the Carrier.
III. PENSION PLAN

The following amendments to the Long Island Rail Road Company Pension Plan shall be effective as of December 14, 1979:

1. Article I, Section 4(c) shall be amended by the addition of the following subdivisions:

(v) An Employee who retires on or after December 14, 1979, who was in the active full-time service of the Company as of July 1, 1971, and who has had a Break or Breaks in Service not exceeding ten (10) years, in total, will be granted Credited Service and Months of Service for his periods of employment with the Company only, preceding and following such Break(s) in Service provided that, and to the extent that, such periods of employment with the Company only would otherwise qualify as Credited Service or Months of Service within the terms of the Plan.

(vi) An Employee who retires on or after December 14, 1979, who was discharged from train service for failure to qualify as Conductor, thereby sustaining a Break in Service, if rehired by the Company within one (1) year of his aforesaid termination date, will be granted Credited Service and Months of Service for his periods of employment with the Company only, preceding and following such Break in Service provided that, and to the extent that, such periods of employment with the Company only, would otherwise qualify as Credited Service or Months of Service within the terms of the Plan.

-3-
III. PENSION PLAN (continued)

(vii) In the event that an individual otherwise entitled to be granted Credited Service or Months of Service for any period of employment with the Company only, preceding a Break in Service pursuant to subdivisions (v) or (vi) of this subsection, shall have made any contribution toward such pension and shall have received a refund of such contribution with such interest as the Board of Managers may have allowed, it shall be a prerequisite to his receiving either Credited Service or Months of Service for any period of employment preceding a Break in Service that he shall have repaid the full amount of such refunded contribution and interest received by him within sixty (60) days of his re-employment as an Employee following any such Break in Service.

2. Article II, Sections 8(d)(i) and (ii), shall be amended to read as follows:

(i) The election of the option may be made at any time prior to retirement, and shall be in writing in a form prescribed by the Board of Managers. The election shall become effective when it is filed with the Board of Managers, but not before the Employee has vested rights in accordance with Section 7 or satisfies the eligibility requirements for the Service-Age Pension to which he would be entitled if no election was made. An election once made shall remain in force except that it shall become ineffective on the date of receipt by the Board of Managers of a notice from an Employee in writing rescinding the
III. PENSION PLAN (continued)

election then in effect. A rescinded election may be reinstated by filing it in the same manner as an original election. An election may not be rescinded after the electing Employee retires.

(ii) If the Employee's designated spouse shall die or the Employee and his designated spouse shall be divorced after the option becomes effective but before the Employee has actually terminated his service, the election of the option shall be void and any pension or amounts otherwise payable under the Plan shall be paid as if no election had been made. If the Employee shall die after the option has become effective, whether or not the Employee has actually terminated his service, the appropriate reduced pension payments shall commence to be paid to his spouse, if surviving. If the spouse shall die after the option has become effective, and the Employee has actually terminated his service, the pension payable to the Employee shall be reduced in the same manner as if the death of the spouse had not occurred. In the event that an Employee who could have filed an effective option pursuant to Article 2, Section 8(d)(i) hereof shall die on or after December 14, 1979, without having filed any option and shall leave a surviving spouse at the time of his death, he shall be deemed to have elected such option as his surviving spouse may choose unless he shall have delivered to the Board of Managers a written statement signed by him and acknowledged
III. **PENSION PLAN** (continued)

before a notary public expressing his desire that
his spouse receive no pension benefits hereunder in
the event of his death:

3. The second sentence of the first paragraph of Article VII, Section 5, shall be amended to provide:

"The Joint Board shall consist of three members
of the Board of Managers appointed by the Board of
Managers and three Union representatives."

4. The last paragraph of Article VII, Section 5, shall be amended to read as follows:

"Decisions of the Joint Board shall be by majority
vote of the members present at the meeting. In the
event of a tie vote, the question shall be put over
until the next meeting of the Joint Board. If the
question is not resolved at that time, it shall be
submitted to a special board of adjustment established
pursuant to the Railway Labor Act, as amended, and
known as The Long Island Rail Road Company - Joint Board
on Pension Applications Special Board of Adjustment,
provided written request is made to the Secretary, Board
of Managers of Pensions within thirty (30) calendar days
of the date of receipt of notice of the decision by the
Joint Board of Pension Managers."
Effective January 1, 1980, current rules of agreements governing the granting of personal leave days shall be amended to provide:

"A day's pay at the straight time rate of pay, including applicable COLA adjustments, will be granted for each unused personal leave day not taken as of November 30; the allowance for such to be based upon and included in the payroll period which immediately precedes the Christmas holiday."
V. SICK LEAVE

Current rules of agreements governing the granting of sick leave allowances shall be amended to provide that applications for sick leave allowances upon which a licensed chiropractor has certified that an employee was unable to perform his duties for the period of the absence will be considered as establishing the burden of proof that such employee was in fact unfit for work on account of illness.
VI. STABILIZATION OF FORCE

Effective with the signing of this agreement, and with respect to current employees only who were hired prior to January 1, 1976, the Carrier may abolish positions through natural attrition factors, such as death, retirement, resignation, discharge for cause, etc., but it may not abolish any more positions than are equal to the number of people who vacate positions under such factors.
VII. SCOPE

"At locations where Yardmasters are assigned by the Carrier, they will report to and receive their instructions from the Superintendent-Transportation, or his designated representatives. Yardmasters have supervision over employees directly engaged in switching, blocking, classifying and providing for the movement of trains and engines and the distribution of cars therein, and for coordinating the Yardmaster's duties with employees of other departments."
VIII. TECHNOLOGICAL CHANGE

The Carrier shall, to the extent necessary, provide technical and practical training to active Yardmasters covered by the scope of this Agreement in connection with the operation of any mechanical devices or technological innovations which replace those duties currently performed by Yardmasters.
IX. MORATORIUM

There shall be a moratorium in effect on the serving of all Section 6 Notices by either the Union or the Carrier until October 1, 1981, not to be effective until after December 31, 1981.
X. TERM OF AGREEMENT

The provisions of this Agreement, except as otherwise stated, are effective as of the date of this Agreement.

This Agreement supersedes all previous Agreements, understandings and practices, however established, with which it is in conflict, and shall continue in effect until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Jamaica, New York, this 28th day of May, 1980.

FOR THE RAILROAD YARDMASTERS OF AMERICA:

John Jackowski
General Chairman

FOR THE LONG ISLAND RAIL ROAD COMPANY:

James J. Miller
Acting Chief Personnel Officer

Approved:

Richard Ravitch
Chairman, MTA-LIRR
May 28, 1980

Mr. John Jackowski, General Chairman
Railroad Yardmasters of America
82 East Main Street
Oyster Bay, New York 11771

Dear Mr. Jackowski:

This will confirm our understanding to place before a merits Public Law Board of Adjustment the following claim of the Yardmasters' Organization:

"Claim of the Railroad Yardmasters of America that, pursuant to a collective bargaining agreement of January 1, 1971, as modified by subsequent agreements and letters of understanding, Yardmasters' rates of pay should be calculated to include a night differential additive to the same extent such a differential is a part of the rates of pay for engine and train service employees supervised by a Yardmaster."

Nothing contained in this letter is to be construed as Company acquiescence to the validity of the claim or as a waiver of the Company's position that the claim not only lacks agreement support, but has not been timely filed under the grievance procedures of the applicable agreement.

Very truly yours,

James J. Miller
Acting Chief Personnel Officer

AGREED:

John Jackowski, General Chairman
Railroad Yardmasters of America
May 23, 1980

Mr. J. A. Jackowski, General Chairman
Railroad Yardmasters of America
82 East Main Street
Oyster Bay, New York 11771

Dear Mr. Jackowski:

This is in reference to paragraph 6, Article I, "Wages," of the Agreement entered into this date.

In the event a former employee, who was represented by your Union, should initiate any legal action for payment of retroactive wages in connection with the above Agreement, the Carrier will hold your Union harmless, as well as the officers of the Union both as Union officers and individually.

Very truly yours,

James J. Miller
Acting Chief Personnel Officer

cc: T. M. Taranto
May 28, 1980

Mr. J. A. Jackowski, General Chairman
Railroad Yardmasters of America
82 East Main Street
Oyster Bay, New York 11771

Dear Mr. Jackowski:

In answer to your questions regarding the Company's intent to exercise its right to reduce forces as exists in the contract now in effect, the Company's position is as follows:

1. The contractual provisions now in effect will remain in effect unchanged until changed in accordance with the provisions of the Railway Labor Act pursuant to Section 6 Notices served on or after October 1, 1981, not to be effective until after December 31, 1981.

2. The Company does not now foresee the necessity of furloughing any employees. We presently believe that any adjustment in forces which may be required could be attained through attrition; however, the Company does reserve the right to reduce forces in accordance with contractual provisions now in effect if it becomes necessary to do so in order to keep within the present or future budgets of the Company or any amended budgets.

3. The Company's present right to reduce forces shall be deemed the "status quo" under its collective bargaining agreement with your Organization whether such right is actually exercised or not and such right shall not be affected by the service of any Section 6 Notice.

4. If furloughed, such employees will, upon application and being otherwise qualified, be given preference for other available employment within the Company, based upon their seniority with the Company. If such employees are offered re-employment and decline a position for which they are qualified, they shall have no further rights of re-employment under these provisions. Any employees so re-employed will waive any other rights they may have to return to the positions from which they were furloughed.

Very truly yours,

John D. Simpson
Executive Director
APPENDIX F

TERM OF AGREEMENT

The provisions of this Agreement, except as otherwise stated, are effective as of the date of the signing of this Agreement.

This Agreement supersedes all previous Agreements, understandings and practices, however established, with which it is in conflict, and shall continue in effect until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

Signed at Jamaica, New York, this 21st day of November 1977.

THE RAILROAD YARDMASTERS OF AMERICA:

J. A. Jackowski
General Chairman

THE LONG ISLAND RAIL ROAD COMPANY:

R. K. Pattison
President
APPENDIX G

4. This Agreement shall become effective September 1974, and will remain in effect until abrogated, modified or revised in accordance with the Railway Labor Act, as amended.

RAILROAD YARDMASTERS OF AMERICA

W. W. Doyle
General Chairman

THE LONG ISLAND RAIL ROAD COMPANY

Walter L. Schlager, Jr.
President and General Manager

Jamaica, New York
August 29, 1974
APPENDIX H

The Long Island Rail Road

Jamaica Station  Jamaica, New York 11435  Phone 212  Jamaica 6-0900

November 21, 1977

Mr. J. A. Jackowski, General Chairman
Railroad Yardmasters of America
82 East Main Street
Oyster Bay, New York 11771

Dear Mr. Jackowski:

As discussed, the wage differential established between yard crews and yardmasters by the June 15, 1970 Wage Agreement shall be maintained. Such wage differentials shall be based on basic hourly rates only, exclusive of any monetary compensation which may be added as a result of adoption, abrogation or modification of rules.

Very truly yours,

R. K. Pattison
President

cc: R. E. Peterson
    J. C. Valder