

# Holes in the R.R.

# Bargaining Table

Robert "R. B." Frank  
Leg. Rep. -BLE Div. 839

March 22, 2004

In 1982, a round trip on the old Santa Fe between Richmond and Fresno, CA paid four hundred and something dollars. In 2004, 22 years later, the same round trip on the (B)igger (N)ew (S)anta (F)e continues to pay four-hundred and something dollars. I don't mean to preach to the choir, but, adjusted for inflation, this dramatic drop in our R.R. standard-of-living has been eroded further by a dramatic increase in our on-duty times, as average freight train speeds drop and drop. Further, let us not forget that the abolition of "Initial Terminal Delay" pay has caused many in field management, to be without incentive, to get trains out in a timely way. It's not unheard of for crews to "die on the lav/" before they start out of town. The abolition of "Initial Terminal Delay" pay is another example of so-called economy turned false, as the so-called savings are more than negated (wiped out) by the extra rail car per-diem, dog catch costs, wasted crew utilization, wasted yard utilization, lower customer service, etc., etc., etc. Our engineer forefathers were much more wise than ourselves in realizing the continual need for "Initial Terminal Delay" pay. Its abolition is a lose, lose, lose situation for rail labor, rail carriers and rail customers.

The dramatic drop in our quality of life and job has been made worse, yet, by an increase in layover times as understaffed crew clerks fail to make timely deadhead decisions. The resulting imbalance of manpower flows, often cause engineers to spend more time at their away-from-home-terminal (short term jail sentences of up to 30 or more hours) than they do at their home-terminal (often 14 hours or less). While at his/her home-terminal all an engineer can do is prepare for the next trip, which makes main line railroading, for most, a 24/7 occupation, which pays less than \$10 per hour, all inclusive, despite our hundred million dollar responsibilities. Again, I don't mean to preach to the choir.

Our worsening occupation has many other unintended negative consequences. Let's look at safety for a moment. As much as the R.R. preaches about safety, as rightly they should, one huge area of safety, very selfishly ignored by our carriers, is the safety of our families. Take automobiles, for example. Many of us don't have the time to maintain our own cars, let alone our wife's or children's cars. Many of us would prefer to perform this maintenance, ourselves, because we have neither the trust nor the \$95 per hour to hire a mechanic. To excessively worry about the mechanical safety and general wellbeing of our family members, due to our excessive family absenteeism, steals from the focus of our own safety, while on R.R. property. Add to this, the immorality of putting people on trial and discipline for "availability", when it's the mis-feasance, if not malpractice, of dispatchers and masters of all types, who damn good people into risking the wrath of this "policy". By way of this article, I plead and pray for top R.R. executives and Union officials to stop this unjust guilt transference to Union members by stopping the false economy of excessive corporate greed,

which is causing incredible levels of economic and logistical chaos, particularly at Union Pacific.

As for the UTU, I would like to know their views on the growing number of switchmen, who are homeless, literally. Also, UTU views on their pattern acceptance of the health insurance Pandora's Box, where our standard-of-living drops in yet another way as our percentage share goes up and up, compounded further by the base amount going up and up. Ironically, switchmen will need more and more health care as Belly-Pack takes its toll. Ironically, homeless switchmen will need more and more health care as living out of their cars and trucks, takes its toll, also. "Ironically, main line employees will tend not to be homeless account 85% of their time is spent in heated locomotive cabs and/or motel cells". As you see, our standard-of-living will continue to erode. Railroading will, more and more, be a vocation for the poor or an avocation for the affluent among R.R. fans. It's almost mind numbing, how otherwise moral R.R. executives can accept such bountiful bonuses, as reward, for suckering Unions into "giveback' after "giveback" for next to nothing in exchange, except for their own huge bonuses and "golden parachutes", again, made possible by Union "givebacks". Yep, second to their Board of Directors, we are the best friends of top R.R. executives, and they don't even realize it, let alone appreciate it.

As I've shared in the past, there is a huge economic flaw with today's R.R. Union "givebacks". Please allow me to explain. Ill-thanks to the Staggers' Deregulation Act of 1982, R.R. cost savings, made possible by Union "givebacks", are no longer used to give pay raises to the remaining RR. workers and/or retire long term debt and/or expand maintenance and/or increase our R.R. stock's cash dividend. In fact, our "givebacks", whether in the form of the 160 mile day or in the payment of health insurance, also goes to foster our "race to the bottom price war" with Union Pacific. Afterall, who are we as BNSF workers to unwittingly make these "giveback" sacrifices to foster price war with Union Pacific. By the same token, who are Union Pacific workers to unwittingly make "giveback" sacrifices to foster price war with BNSF. As evidence of this price war, look at BNSF's recent 20% loss of U.P.S. traffic to U.P., based on price war. Before that, look at BNSF's loss of General Motors traffic to U.P., based on price war, again. As present day economists say, "The only thing worse for an economy than inflation is deflation". The same applies to railroading. Therefore, R.R. Unions need to stop this deflationary insanity by saying NO to "givebacks". In fact, our R.R. Unions would do our R.R. industry an economic favor by forcing meaningful pay raises, thereby enabling R.R. carriers to increase their "top line" growth by joining the rest of the economy in terms of inflation. Otherwise, if top UTU officials spent less time in alleged racketeering, and instead, spent more time in economic study, perhaps rail workers would have a better standard-of-living, which means more than just money!

Believe it or not, generally speaking, I don't fault today's R.R. executives or Unions with our continued erosion in standard-of-living. Afterall, BNSF's Matt Rose was barely 22 years of age when the Staggers' Deregulation Act was passed in 1982. This man, to name just one, is an unwitting inheritor of Staggers' deflationary effects, 22 years after this Congressional Act was passed. I know, personally, how at least 99 out of 100 of my co-workers are fond in believing how selfishly rich our carriers are. Nothing could be further from the truth. As you may know, rail rates are so low, particularly for noncaptive intermodal, rail carriers are financially challenged to expand capacity. More and more, R.R. improvements are courtesy

of "Uncle Sam". Look at the deferred maintenance. Look at the understaffed roundhouses, the understaffed track gangs, the understaffed management functions, the understaffed clerks, the understaffed crew boards, the understaffed mechanical departments, the understaffed security, the denied claims, etc., etc., etc. If our carriers properly fed these money buckets, particularly expansions to capacity, our carriers would be money losing enterprises. At best, they would be a zero sum game like the airline industry. Otherwise, so-called R.R. profits are based on corner cutting. This is why I haven't bought R.R. stock in many years. This is why common R.R. stock values have stagnated like our wages. Remember, the truth will set us free, but first it will hurt. The hurtful truth is that our carriers, if they want to maintain what solvency they have left, have nothing left over on the "bargaining table" from which to share- Therefore, in light of today's R.R. economics, the "bargaining table" is as useless and obsolete as it is a waste of time. Since 1982, new contract after new contract has been three steps forward and three steps backward, which is cost neutral for the carriers, but deflation by stagnation for us.

So, where do we go from here? One obvious answer is to operate like big business, by networking our contractual needs, within the halls of Congress. In my humble opinion, there are three cube-root Congressional measures, which would incredibly improve the quality of our safety, life and job. These three measures would also qualify as being cost neutral to our carriers and not necessarily income improving for us, provided our carriers got their velocity "act" together. The three measures, not necessarily in order of importance, would be: the Eleven Hour Law, the Eleven Hour Held-Away-From-Home-Terminal Law, and the Overtime Law for those "dead on the la\*", while stranded. The three measures, together lobbied, could be known as the "R.R. Three-Elevens".

First, let's look at the potential "Eleven Hour Law". Anyone of us could write an entire article on the positive effects from this measure. Our co-workers on road switchers and locals, however, probably wouldn't like this law. Suffice it to say, the truckers now have

the "Eleven Hour Law effective 1-1-04. Interestingly, the new law was not at the insistence of the Teamsters nor the American Trucker's Assn., but was insisted upon by the Dept. of Transportation to improve safety. What's good enough for the truckers, should be good enough for us. This, coincidentally, is where our new merger with the Teamsters should really come in handy within the halls of Congress. I can't think of a better political example to test the political clout of the Teamsters. After all, wasn't political clout one of the "cornerstones" to justify our merger?

Secondly, let's look at the potential "Eleven Hour Held-Away-From-Home-Terminal Law". For most, pay now starts at 16 hours, which is at least five hours too many. If we were to tally the average of the 30 minute taxi ride to the Cell Motel, one hour meal, eight hours rest, another hour meal, and another 30 minute return to the terminal, the sum is 11 hours. Unfortunately, it takes financial incentives like this, otherwise known as penalties, to encourage our carriers to perform efficiently and responsibly. The main reason I cling to my terminal switch engine with such blood, heart and soul was due to the inefficient, wasteful and often cyclically unsafe motel cell layovers I once had to endure on "chain gang". The layovers are even worse, today. Otherwise, 11 hours in this matter is as fair, as it is logical and should, therefore, be passed into law.

Thirdly, let's look at the potential Overtime Law for those "dead on the law while stranded. To not get paid for this time is absolute evidence of our Nation being "overRepublicanized"- It's as unfair, as it is illogical, and provides our carriers with no incentive to treat us efficiently or responsibly. To summarize, these are the "R.R ThreeElevens", which would go a long way in patching the "holes in the R.R. bargaining table". Again, if our carriers got their velocity "act" together, the cost of these incentive penalties would be nominal. Otherwise, the alternative would be the consideration of an hourly wage, which would truly recharge transport velocity, making efficient and responsible treatment for us as well as our customers. As you can see, our interest in being treated efficiently and responsibly is exactly the same as our customer's interest, in that their cargoes should be treated efficiently and responsibly, too. Presented in this light, our rail customers should support us.

In conclusion, the average R.R executive would say, "If you don't like it, then simply resign" ... On the other hand, the truly great R.R. executive might say, "If I can't make it better for most of those associated with the R.R. industry, then perhaps, I should be the one to resign"... The average Union member would say, "What's the use, I can't make things better"... On the other hand, a good Union member might say, "We don't need to be International Union President to make things better. To make things better, all we need to be is right. Let us network legislatively, accordingly?' !

Thanks again.