

What Are we Worth?

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At this time of failed contract negotiation, soon to be contract mediation, the question of what we're worth as locomotive is timely, indeed. In an effort to help answer this, let us share a new approach so common sense, so obvious, yet secretive, that you will wonder why our BLE failed to educate us in this secretive subject over the past 140 years. This is comparable to the way in which our BLE failed to educate us about RCO over the past 10 years, despite 10 years of simultaneous RCO experience in Canada. The new question, the new answer, the new approach to this old secret, if I can finally indulge you, is to simply educate ourselves in a new understanding of what our freight and passenger trains are worth. In other words, our financial or fiduciary responsibility as engineers.

For the fun of it, I surveyed several dozen fellow engineers at the recent Sparks, NV BLE convention by asking what they thought was the price tag of a locomotive, a railcar or for that matter an entire freight or passenger train? I was stupefied to learn that not even one of those cherry-picked Union delegates had even a clue! (C.S.L.B. Chairman Tim Smith was my witness.) One engineer answered by saying, "I don't know, 'eh scrap?" It is little wonder, then, so many of us have such a low image of our craft and our carriers. Oh, before I forget, when I shared the correct mega-dollar answer(s) as surveyor, it was then the surveyee's turn to be stupefied. Almost needless to say, image of his craft and his carrier instantly increased!

At first thought, we might assume our carriers would have a keen, safety minded interest in sharing this price tag information. Our carriers, however, have preached safety from every conceivable approach, except price tag. The military, on the other hand, is famous for telling their personnel what that jet fighter or Abrahms tank, etc., etc. is worth in terms of taxpayer dollars at risk, literally. Further, in an effort to re-enlist personnel, the military makes part of their sales pitch by saying, "Where in civilian life will they give you that kind of financial responsibility?" The answer? One obvious answer to us engineers, the military re-enlistment officers may not realize, are our para-military organizations known as rail carriers. So, to the extent our carriers keep us financially ignorant about our financial responsibilities out of fear we might use this as a contract negotiating point (pay raise), it should be oppositely obvious our BLE keep us financially ignorant about our financial responsibilities so that we indeed use this as a contract negotiating point as well as in our day to day fiduciary awareness.

As a side-note, I recall about 12 years ago how our old Santa Fe sponsored a so-called "Professional Campaign" for our engineers across the system. Seminars were conducted by Road Foremen of Engines to share the latest train handling techniques, etc. and to share a black hat, which read, "Professional". Even then, for the fun of it, I asked this Road Foreman the price tag of a then new EVID G-P 60? (Still, my favorite diesel electric.) When I had to volunteer the answer of \$1,500,000, the Road Foreman laughed at me in such a

way so as to attempt my dis-credit in front of everyone. I quickly defended myself by pointing out that the locomotive price, divided by its weight, equaled the cost of a good grade of deli-meat or about \$5 per pound. Instantly, his laughter stopped, and I then suggested, "If you really want to make us feel like professionals, rather than give us a several dollar hat, which reads, Professional why don't you simply publish the fact our freight trains are typically worth several tens of millions of dollars each, instead?" The Road Foreman responded by saying, "My seminar training mentioned nothing about equipment value." (Hmm, safe answer.)

In another old Santa Fe example, during the same time period of about 12 years ago and before, our Santa Fe employee magazine ran frequent articles about our new inter-modal ramps. These ramps were mostly in towns we never heard of, and were installed by paving over several existing yard tracks and adding a \$250,000 "piggy-back sidepacker". The employee magazine articles, without fail, always mentioned the price tag of the piggy-back machinery, and without fail to this day, continue to always mention the price of diesel fuel, and without fail, the price of labor, and without fail, the price of injury, and without fail, the price of maintenance, and without fail, never the price of locomotives, railcars or cargo. In other words, the worth of trains.

In case you wonder what your next freight train is worth, keep in mind a new six axle locomotive is \$2,500,000 a copy. Six such locomotives are a \$15,000,000 consist. The new GPS equipped refrigerated railcars are \$150,000 a copy. One hundred such railcars, coincidentally, represent another \$15,000,000 consist, not to mention the 15,000,000 to 20,000,000 pounds of wine or frozen food, which might be on board. A single railcar of high-end Mercedes is worth about \$2,000,000. A single 30,000 gallon tank car of Round-Up herbicide at \$100 per gallon has a retail value of \$3,000,000 etc., etc., etc. This magnitude of financial or fiduciary responsibility begs the question that shouldn't engineers, particularly those of us working in high cost living areas, earn at least as much as big city police officers? After all, we're shot at, too, but at least police officers can shoot back, work regular hours and earn more money than us as well.

In conclusion, it is interesting to note how today's economic culture rewards fiduciary responsibility more than skill. Highly paid executives, for example, are compensated more for their degree of fiduciary magnitude than for their degree of management skill. It is obvious that we, as engineers, are kept ignorant about our own fiduciary magnitude, causing us to remain non-paid for this aspect of our work. For this to change, enculturation time will be required. This enculturation process should have started 140 years ago with the founding of our BLE! This process is currently so out of control that even our sleeping brothers (not all) across the locomotive cab earn more than we do; this needs to stop immediately! Otherwise, immediately, to know what our freight and passenger trains are worth will cause us to sit a little taller in the saddle of the iron horse as well as being as safe and alert as ever! Thank You!