



UNIFIED SYSTEM DIVISION QUARTERLY NEWSLETTER VOLUME 19-July 2011

Let your watchword be: Union and progress, and until then, no surrender.



Rail Labor Bargaining Coalition Requests Release from Mediation

The Rail Labor Bargaining Coalition (“RLBC”) was created by six rail labor organizations: Brotherhood of Locomotive Engineers and Trainmen, IBT; Brotherhood of Maintenance of Way Employees Division, IBT; Brotherhood of Railroad Signalmen, AFL-CIO; International Brotherhood of Boilermakers, AFL-CIO; National Conference of Firemen & Oilers, SEIU; and the Sheet Metal Workers International Association, AFL-CIO. The RLBC’s mission is to bargain on behalf of its member organizations with the National Carrier’s Conference Committee, which represents the Class I rail carriers in negotiations for a modified national labor agreement. In the last bargaining round, true multi-union, multi-employer bargaining was very successful. The RLBC’s agreement with the Carriers led to industry-wide voluntary agreements between all organizations with the NCCC. The wage and health benefit provisions of those agreements were both highly favorable for employees and realistic for the Carriers in light of the industry’s financial and operating successes which continue today.

Recent developments in the current bargaining round, unfortunately, have demonstrated that a voluntary agreement with the NCCC cannot occur. Last month, therefore, the RLBC requested the National Mediation Board to end mediation and allow our dispute with the NCCC to enter the final dispute-resolution process under the Railway Labor Act. An end to mediation was earlier requested by five other rail labor organizations – the Transportation Communications Union (TCU), American Train Dispatchers Association (ATDA), International Association of Machinists (IAM), International Brotherhood of Electrical Workers (IBEW) and the Transport Workers Union – which bargain together as an informal coalition.

What has unified nearly all of rail labor is the Carriers’ assertion that the NCCC’s June 2 tentative agreement with the United Transportation Union (UTU) sets the pattern for an industry-wide agreement. Along with the rest of rail labor, other than the UTU, the RLBC rejects categorically the notion our members should accept a smaller wage package than we negotiated in the last bargaining round when the Carriers’ profits have more than doubled since then. We are even more troubled by the prospect of concessionary changes in our health plan.

The facts underlying our disagreement with the wage and health benefit provisions of the NCCC/UTU tentative agreement are straight-forward. The current National Agreement negotiated during the last round provided for wage increases totaling 17 percent (18.2% compounded) over five years. From 2000 to 2004, the period leading up to the negotiations that resulted in the 2007-09 National Agreements, railroad profits were \$15.9 billion in 2009 constant dollars. In a comparable period preceding the current negotiations, 2005-2009, railroad profits were \$32.7 billion in 2009 constant dollars. The profits of the four largest freight railroads, NS, CSX, BNSF and UP soared to \$8.5 billion in 2010. Despite record profitability, the NCCC/UTU tentative agreement provides for wage increases totaling 14 percent over five years. Another 3 percent will be added during what effectively becomes, in wage terms, the sixth year of the agreement. This tentative wage settlement is far short of what the RLBC achieved last time.

The most objectionable changes in the NCCC/UTU tentative agreement are to the health care provisions of the UTU Health and Welfare Plan. Those changes shift insurance costs to the most vulnerable employees, those who are sick or have sick family members and actually have to use their insurance. While the current managed care plan pays 100 percent of hospital and medical costs, the UTU tentative agreement will

continued

Continued from 1st page

require employees to pay deductibles and 5% co-insurance. In the drug plan, members will get zero reimbursement for drugs not authorized by Medco (the insurance company) and could pay up to \$90.00 for a three month supply of non-generic drugs. If the NCCC/UTU tentative agreement is applied to all crafts, it is estimated that health care savings to the railroads will exceed a half billion dollars over five years. Almost all of the savings will come from increased costs to employees who need to access health care for themselves or their sick family members. The prosperity of our industry and fairness to our most vulnerable members require rejection of this thoroughly bad idea.

The freight railroads say the NCCC/UTU tentative agreement constitutes a “pattern.” We say a union that represents only 25 percent of the workforce and has its own healthcare plan cannot and does not set a pattern for any other union. The RLBC and the TCU-led Coalition will continue to fight for a fair contract, one that gains for members a fair share of the immense profits the railroads continue to reap and one that protects those who fall ill or are injured from the economic burdens of their health conditions. If we do not stand together on this point, we can look forward to additional burdens being put on those of us who are least able to shoulder them, while the railroads continue to obtain record profits. Brothers and Sisters, the RLBC will resist that result with all of its collective might and with the assistance of every union in the coalition led by the TCU. United, we cannot be defeated.

Key Comparisons with Last National Freight Agreement

	National Freight Agreement 2005-2010 applied to UTU Rate	UTU Tentative Agreement 2010-2016 - see note 1 below
President in Office	Bush	Obama
Contract Term	5 years	5 years - for comparison purposes
Total Class 1 Freight Profits 5 years previous to settlement	15.9 billion dollars	32.7 billion dollars
Gross General Wage Increase (GWI)	18.2%	14.9%
Average GWI per year	3.4%	2.8%
Health and Welfare Cost Sharing	Start: \$100.00 per month 7/1/05: \$106.11 1/1/06: \$131.96 1/1/07: \$166.25 1/1/09: \$170.96 1/1/10: \$200.00	\$200.00 per month - no change
Costs on Health and Welfare design plan changes and extra payments on average user	Minimal-not calculated	\$77.77 per employee per month on average Health and Welfare user, much more for the sick
Average GWI over five (5) years after Health and Welfare Cost Sharing and average design cost shifting deducted	16.5%	13.3%
Average GWI per year after Health and Welfare cost Sharing and average design cost shifting deducted	3.1%	2.5%
Extra Payments (certification allowance and arbitrary payments)	0	\$5.00 per start certification pay
Average gross salary increase per employee over 5 years based on 40 hrs. per week and with Health and Welfare Cost Sharing deducted.	\$20,076.00/per employee	\$16,506.00/per employee (excludes certification pay but is much lower if you get sick and have to use the health benefits)

Note 1: *For comparison purposes only the first five years of the UTU sell out are compared to the last agreement as that was also five years. With the UTU agreement, there is an additional 3% negotiated for the sixth year but in the RLBC deal there will be comparable wage increase in what would be its sixth year so by dropping the last 3% for comparison purposes it becomes a wash.*

TEAMSTERS SUPPORT RLBC AND AMTRAK MEMBERS

The I. B. T. held their Convention in Las Vegas, NV June 27, 2011 through July 1, 2011. The two (2) Resolutions below were unanimously passed by the more than 1,300 Delegates in a massive show of support for Rail Bargaining and Amtrak Members.

COALITION BARGAINING RESOLUTION

WHEREAS, the cornerstone for successful collective bargaining has historically been unity in purpose and solidarity in action; and

WHEREAS, as one of the oldest industries in the United States, the railroad industry, was organized along craft lines and continues to have a dozen unions representing railroad workers; and

WHEREAS, railroad carriers for generations have preyed on weak or vulnerable unions to establish "pattern settlements" that fail to accord members of stronger unions their just due; and

WHEREAS, coalition bargaining can be an effective tool to defeat management's efforts to divide and conquer their workers; and

WHEREAS, Teamster Rail Conference affiliates the Brotherhood of Locomotive Engineers and Trainmen (BLET), and the Brotherhood of Maintenance of Way Employees Division (BMWED) created and led the Rail Labor Bargaining Coalition (RLBC) in the last round of national bargaining to create a pattern settlement that was based on strength, rather than weakness; and

WHEREAS, the RLBC is currently leading the struggle to defeat the railroads' attempt to shift the cost of health care from an industry enjoying record profits to the workers who are least able to bear that cost; be it therefore

NOW, THEREFORE, BE IT RESOLVED, that the International Brotherhood of Teamsters congratulates the Rail Conference and its BLET and BMWED affiliates for their leadership in Rail Labor bargaining; and

BE IT FURTHER RESOLVED, that the International Brotherhood of Teamsters supports the Rail Conference in its efforts to form and lead bargaining coalitions whenever its affiliates believe doing so promotes the best interests of their members.

IBT SUPPORT FOR RAIL CONFERENCE MEMBERS AT AMTRAK

WHEREAS, the future of Amtrak is uncertain and many within the federal government, Amtrak management, railroads, and private industry have initiated policies and practices which are detrimental to members of the Teamsters Rail Conference at Amtrak; and

WHEREAS, the Brotherhood of Locomotive Engineers and Trainmen (BLET) and the Brotherhood of Maintenance of Way Employees Division (BMWED) of the International Brotherhood of Teamsters are a substantial part of the Amtrak workforce; and

WHEREAS, the Teamsters Rail Conference and the International Union have worked diligently to oppose any legislation or policies that adversely affect its Amtrak members; and

WHEREAS, inter-city passenger rail service in the United States, including high speed rail, is finally receiving some long-needed attention and funding; and

WHEREAS, Amtrak is the only company in America with a proven record of providing inter-city passenger rail service in excess of 100 mph; and

WHEREAS, the career professionals of the BLET and BMWED in the Teamsters Rail Conference have a proven record of building, operating, and maintaining railroads;

THEREFORE, BE IT RESOLVED, that the delegates to the 28th International Brotherhood of Teamsters Convention go on record in support of its Amtrak members of the Rail Conference; and

BE IT FURTHER RESOLVED, that the delegates support the continued commitment of the International Union to provide the Rail Conference with the resources and legislative support necessary to secure adequate funding for Amtrak and resist diversion of passenger rail funds to privatization and similar schemes not in the public interest.

UNIFIED SYSTEM DIVISION ENDORSES F.E.L.A. FIRM

Pursuant to National Division Policy the Unified System Division has endorsed its' first law firm to represent its' members when they become injured in the workplace. The National Division Legal Aid List is still in effect but now USD Members and Local Lodges have an additional firm to consider for legal help. The endorsement of Brent Coon & Associates is specific to the Unified System Division membership. We are very happy and proud to be the 1st BMWED, System, Division or Federation, to endorse such a qualified and respected Law Firm. Unified System Division Local Lodges should feel free to contact the firm for information and schedules should they be interested in having a representative from Brent Coon & Associates attend an upcoming lodge meeting. Remember, BMWED members who are injured on the job should contact BMWED/USD Designated Legal Counsel and ascertain their rights and protections under the Federal Employers' Liability Act (FELA) prior to attempting a settlement with a Railroad Claim Agent. *Welcome aboard Brent Coon & Associates.*



BRENT COON & ASSOCIATES



AN OPEN LETTER FROM BRENT COON

As the founder of Brent Coon and Associates, it is with great pleasure that I take this opportunity to introduce our firm to the BMWED Unified System Division membership and convey how excited we are at BCA to be on board the team.

Our firm comes from extensive union roots. My father was in the union and we have built the firm around the needs of the working man and woman. We have a number of very solid labor relationships in place with a wide variety of industries. These involve many of the common carrier trades including the airlines and interstate commerce. We have shaped this firm with decades of practice, recruiting a team with deep organized labor experience. Our in-house union liaisons and staff have extensive experience with railroad and union activities including organizing, negotiations, grievances and arbitrations.

As a national firm with rich and diverse skill sets, we will provide a wide variety of services for the BMWED Unified System Division. From our role with the United Steelworkers and other unions associated with the industrial trades, like steelworkers, chemical workers, refinery workers, paper mill workers, and a variety of other trades, we have learned to go far beyond personal injury claims and are able to tackle the toughest occupational disease and 3rd party cases. A number of our offices and attorneys routinely handle FELA claims – taking on companies like Burlington Northern Santa Fe and Union Pacific in courtrooms around the country.

At BCA, we understand the importance of communications and technology in serving our clients. Communication is key with the jury, a judge, the press or the government – and we have excellent skill sets in all of them. As public policy advocates, we have written legislation on the issues of workplace safety and bring the stories to the national media like no other law firm in the country. Our technology capabilities, including case management, data-basing, electronic discovery, and trial presentation, place us in a position to maximize settlements and dominate in a courtroom.

This is also why we rely heavily on electronic media tools like our new FELA website (www.fela411.com), multiple firm-dedicated websites, our library of informational videos, and our various electronic newsletters. Getting the right information to you when you need it can be the difference – that's why our lines are open to anyone who may have a claim or who just needs to ask us a legal question (855-680-FELA).

Again, we look forward to being part of the BMWED Unified System Division legal team.

Thank you and in solidarity,

Brent Coon
Founder
Brent Coon & Associates

CALL TOLL FREE
1.855.680.FELA



BRENT COON & ASSOCIATES



RAILROAD RETIREMENT BOARD INFORMATION

New Benefit Year for Railroad Unemployment and Sickness Benefits

A new benefit year under the Railroad Unemployment Insurance Act begins July 1, 2011. Administered by the Railroad Retirement Board (RRB), this Act provides two kinds of benefits for qualified railroaders: unemployment benefits for those who become unemployed but are ready, willing and able to work; and sickness benefits for those who are unable to work because of sickness or injury. Sickness benefits are also payable to female rail workers for periods of time when they are unable to work because of pregnancy and childbirth.

What is the daily benefit rate payable in the new benefit year beginning July 1, 2011?

Almost all employees will qualify for the maximum daily benefit rate which remains \$66. Benefits are generally payable for days of unemployment or sickness over four in 14-day claim periods, which yields \$660 for each two full weeks of unemployment or sickness. However, sickness benefits resulting from other than on-the-job injuries are subject to tier I railroad retirement payroll taxes for the first six months after the employee last worked.

What are the eligibility requirements for railroad unemployment and sickness benefits in the new benefit year?

To qualify for normal railroad unemployment or sickness benefits, an employee must have had railroad earnings of at least \$3,325 in calendar year 2010, counting no more than \$1,330 for any month. These are the same amounts that applied to calendar year 2009. Those who were first employed in the rail industry in 2010 must also have at least five months of creditable railroad service in 2010.

Under certain conditions, employees who do not qualify on the basis of their 2010 earnings may still be able to receive benefits in the new benefit year. Employees with 120 or more cumulative months of service who received normal benefits in the benefit year ending June 30, 2011, may be eligible for extended benefits, and employees with 120 or more cumulative months of service might qualify for accelerated benefits if they have rail earnings of at least \$3,325 in 2011, not counting earnings of more than \$1,330 a month.

In order to qualify for extended unemployment benefits, a claimant must not have voluntarily quit work without good cause and not have voluntarily retired. To qualify for extended sickness benefits, a claimant must not have voluntarily retired and must be under age 65.

To be eligible for accelerated benefits, a claimant must have 14 or more consecutive days of either unemployment or sickness; not have voluntarily retired or, if claiming unemployment benefits, quit work without good cause; and be under age 65 when claiming sickness benefits.

How long are these benefits payable?

Normal unemployment or sickness benefits are each payable for up to 130 days (26 weeks) in a benefit year. The total amount of each kind of benefit which may be paid in the new benefit year cannot exceed the employee's railroad earnings in calendar year 2010, counting earnings up to \$1,718 per month, the same amount as in calendar year 2009.

If normal benefits are exhausted, extended benefits are payable for up to 65 days (during 7 consecutive claim periods) to employees with at least 10 years of service (120 or more cumulative service months).

How does a person apply for, as well as claim, unemployment benefits?

Claimants can file their applications for unemployment benefits by mail or online.

To apply by mail, claimants must obtain an application from their labor organization, employer, local RRB office or the agency's website at www.rrb.gov. The completed application should be mailed to the local RRB office as soon as possible and, in any case, **must be file within 30 days of the date on which the claimant became unemployed or the first day for which he or she wishes to claim benefits.** *Benefits may be lost if the application is filed late.*

Mr. Louis R. Below
1st Vice Chairman S/T
PO Box 629
El Dorado, CA 95623



Presort First-Class Mail
U.S. POSTAGE
PAID
Permit No.
Sacramento, CA

Quarterly Newsletter
Volume 19
July 2011



BMWED

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION
Of The International Brotherhood Of Teamsters

JRHMSF ESSAY CONTEST NOW OPEN!

The 2011 James R. Hoffa Memorial Scholarship Fund Essay Contest is now open for applications. This year, 50 students will be awarded \$1,000.00 in scholarships. The deadline to apply is September 30, 2011.

APPLICATION PROCEDURE:

1. Applicant and Teamster parent or grandparent must complete questions 1-12.
2. Applicant must attach, on a separate sheet, a type-written essay of 500 words or less. (Essays will not be returned.)
3. Applicant must forward the completed application and essay to the James R. Hoffa Memorial Scholarship Fund office
by **September 30, 2011. We cannot allow any extensions to this deadline.**

For eligibility requirements and other details about the contest contact 1st Vice Chairman\Secretary-Treasurer Louis R. Below at (530)622-7535 or email him at LBelow.usd@att.net or download the information from National Division web site at:

www.bmwed.org

**USD OFFICE
TOLL FREE PHONE #
1-800-525-1833**

Important Reminder

Retirement Packets and Medical Packets can be obtained by contacting 1st Vice Chairman-Secretary/Treasurer Louis R. Below or Toni Christiansen-Membership Services Secretary at our Lyman, WY Headquarters at the toll free number listed above.

Remember to always file for all of your benefits when sick or injured. RRB benefits only when unemployed. RRB Sickness and Aetna Supplemental Sickness benefits when off work due to illness or injury.