

National Freight Railroads Bargaining Update

September 6, 2011

NMB Releases IBEW From Mediation

IBEW & 10 Other Rail Labor Unions Released Stage Set to Bring the Bargaining Process to an End

Last Friday afternoon, September 2, 2011, the National Mediation Board (NMB) proffered arbitration to the IBEW and 10 other Rail Labor Organizations involved in National Negotiations. That same day, IBEW International President Hill notified the NMB that the IBEW was rejecting the proffer of arbitration. All other Rail Labor Unions also rejected the proffer, while the National Carriers' Conference Committee (NCCC – the negotiating committee of railroads) accepted the proffer. As such, this afternoon the NMB released the parties from the mediation process and declared a 30 day cooling off period which runs through October 6, 2011. At 12:01a.m. October 7, all parties will be able to resort to non-violent self-help. This means that Rail Labor will be free to strike and the railroads will be free to impose new wages, benefits, working rules and conditions on their employees.

Of course two other things may happen during this cooling off period that will forestall self-help. First, the railroads and the unions may reach agreements, however this is very unlikely since the railroads haven't made a reasonable proposal during the nearly 2 years of negotiations. And second, President Obama may appoint a Presidential Emergency Board (PEB) to hold hearings on the disputes and make recommendations to the parties for settlements. At this point it seems very likely that a PEB will be appointed in order to prevent a national rail shutdown. Once a PEB is appointed the Board has 30 days to hold hearing and make recommendations, and once the recommendations are released another 30 day cooling off period will begin during which the parties will again attempt to reach agreements based on the recommendations of the PEB. At the end of this 30 day cooling off period the parties would then again be able to resort to self-help, and also at this point Congress could intervene in the dispute and legislatively impose agreements on the unions and the railroads.

“The record pace at which this process is moving along is the quickest in my memory of railroad negotiations,” stated IBEW President Hill. “If you remember the last round of bargaining, we didn't even get into mediation until 2 years after the contract expired. This round of bargaining we were able to enter mediation just over six months into the process, and the process should conclude right around the 2 year mark. Thanks to all of you for your patience during this process, as our goal is to obtain a contract that is fair to you and that gets you your fair share of the record profits these railroads are making today.”

As stated in our last update, the IBEW bargaining coalition and the Rail Labor Bargaining Coalition (RLBC) have joined forces to move forward to a PEB. Our bargaining coalition is made up of the American Train Dispatchers (ATDA), the Brotherhood of Railway Carmen (BRC), the International Association of Machinists (IAM), the IBEW, the Transportation Communications Union (TCU), and the Transport Workers Union (TWU). The RLBC is made up of the Brotherhood of Locomotive Engineers – Teamsters (BLE-T), the Brotherhood of Maintenance of Way Employees – Teamsters (BMWE-T), the Brotherhood of Railway Signalmen (BRS), the International Brotherhood of Boilermakers (IBB), and the Sheet Metal Workers International Association (SMWIA). A copy of the NMB release is attached.



NATIONAL MEDIATION BOARD
WASHINGTON, D.C. 20572

(202) 692-5000

September 6, 2011

Sent via Facsimile and U.S. Mail

Mr. A. Kenneth Gradia, Chairman
National Carriers' Conference Committee
1901 L Street, NW, Suite 500
Washington, DC 20036

Mr. Edwin Hill, International President
International Brotherhood of Electrical Workers
900 Seventh Street, NW
Washington, DC 20001

**Re: NMB Case No. A-13574 (Electrical Workers)
National Carriers' Conference Committee & IBEW**

Gentlemen:

In response to our letter addressed jointly to your respective Carrier and Organization dated September 2, 2011, we have been advised by facsimile letter dated September 2, 2011 from A. Kenneth Gradia, Chairman, National Carrier's Conference Committee that the Carrier accepts, in writing, and also advised by electronic letter dated September 2, 2011 from Edwin Hill, International President, International Brotherhood of Electrical Workers that the Organization declines, in writing, to arbitrate the question in the above-captioned case.

Your attention is therefore directed to the last clause in Section 5, First (b) of the Railway Labor Act, as amended, reading as follows:

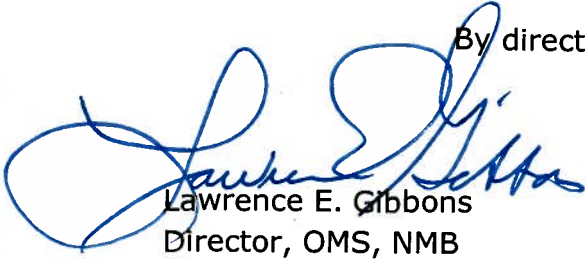
If arbitration at the request of the Board shall be refused by one or both parties, the Board shall at once notify both parties in writing that its mediatory efforts have failed and for thirty days thereafter, unless in the intervening period the parties agree to arbitration, or an emergency board shall be created under Section 10 of this Act, no change shall be made in the rates of pay, rules, or working conditions or established practices in effect prior to the time the dispute arose.

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It is the judgment of our Board that all practical methods provided in the Railway Labor Act for our adjusting the dispute have been exhausted, without effecting a settlement.

In these circumstances, notice is hereby served on behalf of the Board that its services (except as provided in Section 5, Third and in Section 10 of the Act) have been terminated this day under the provision of the Railway Labor Act. Accordingly, unless the parties subsequently settle this dispute, or an emergency board is established, nonviolent self-help would be available commencing **12:01 a.m. EDT, October 7, 2011.**

By direction of the NATIONAL MEDIATION BOARD.



Lawrence E. Gibbons
Director, OMS, NMB

LEG/kab

Enclosure

Cc: John Livingood, NMB
Patricia Sims, NMB
Board Members, NMB
Susanna Parker, NMB
Norman Graber, NMB