

## VI. SUMMARY OF RECOMMENDATIONS

In summary, we recommend the following as a fair and appropriate resolution of the dispute. We hope that the parties will be able to utilize these recommendations as a basis to resume discussions that will hopefully lead to agreements on all disputed issues.

### 1) Compensation - Wages

We recommend the following General Wage Increases:

Effective Date	Increase	Increase (Compounded)
7-1-10	2.0% GWI	1.0200
7-1-11	2.5% GWI	1.0455
7-1-12	4.3% GWI	1.0905
7-1-13	3.0% GWI	1.1232
7-1-14	3.8% GWI	1.1659
1-1-15	3.0% GWI	1.2008

The January 1, 2015 GWI of 3.0% of this recommendation is optional in the sense that it may be elected by each Organization or not. If the January 1, 2015 GWI is elected, then we recommend that the Agreement contain the following additional language in a Side Letter:

This will confirm our understanding that if disposition of the 2015 Bargaining Notices is referred to any third party (including but not limited to a Presidential Emergency Board or arbitration board), this Letter may be provided to such body to confirm the parties' mutual understanding that acceptance of the January 1, 2015 3.0% general wage increase was intended to constitute a complete resolution of the compensation adjustment issue for calendar year 2015.

We also recommend a one-time, lump sum payment equivalent to 1% of straight time earnings paid to each employee for the 12 month period November 1, 2010 through October 31, 2011, after application of the July 1, 2010 and July 1, 2011 General Wage Increases.

## 2) Changes to the Railroad Employees National Health and Welfare Plan

We recommend acceptance of the Carriers' proposal regarding changes to the Railroad Employees National Health and Welfare Plan<sup>1</sup>, with the following changes:

a) The changes are recommended to be implemented, effective July 1, 2012, at which time the applicable new deductibles for the MMCP will be one-half of the proposed annual deductibles since the amended provisions will only be in effect for half a calendar year. Accordingly, the deductibles applicable for 2012 are \$100 for individuals and \$200 for families. The out-of-pocket maximums for 2012 are similarly one-half of those proposed for a full year and are \$500 for individuals and \$1000 for families.

b) For calendar year 2013, we recommend use of annual deductibles of \$150 for individuals and \$300 for families (75% of the amounts proposed) with out-of-pocket maximums set at \$750 for individuals and \$1500 for families (75% of the amounts proposed).

c) For calendar year 2014 and beyond, we recommend full implementation of the proposed changes, including use of annual deductibles of \$200 for individuals and \$400 for families and out-of-pocket maximums of \$1000 for individuals and \$2000 for families.

We recommend that each employee covered by this Agreement continue to contribute to the National Plan a monthly cost-sharing contribution in an amount equal to the lesser of 15% of the Carriers' Monthly Payment Rate or \$200.00.

We further recommend that, the employee monthly cost-sharing contributions amount be adjusted, effective July 1, 2016, so as to equal the lesser of 15% of the Carriers' Monthly Payment Rate for 2016 or \$230.00, unless otherwise mutually agreed by the parties during negotiations commencing after the 2010-14 Agreement becomes amendable.

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<sup>1</sup> The Carriers' proposal was to make changes to the National Plan that mirrored the changes bargained with the UTU to the UTU Plan. Our recommendations adopt that approach, including and incorporating by reference all the relevant detailed language contained in the September 16, 2011 Agreement between the Carriers and the UTU.

### 3) Moratorium

We recommend that the moratorium date be December 31, 2014, and the amendable date, January 1, 2015.

We further recommend that Section 6 notices may be served any time on or after November 1, 2014 (not to become effective prior to January 1, 2015).

This moratorium date remains the same whether or not the Organization elects the January 1, 2015 wage increase and associated Side Letter.

### 4) All Craft Proposals

We recommend granting the Organizations' proposal regarding indexing of the Supplemental Sickness Benefit Plan. The indexing would be to maintain the December 31, 2009 ratios, would be triggered whenever a GWI becomes effective, but would be prospective and would commence with the July 1, 2012 GWI.

We recommend withdrawal of the Vacation and Information proposals.

### 5) Shopcrafts Proposals

We recommend that the proposal regarding common wage rate equalization involving Soo Line and other carriers be addressed through voluntary on-property discussions outside of the formal RLA bargaining procedures. We do not recommend binding interest arbitration.

We recommend withdrawal of the remaining Proposals that apply to multiple Shopcraft Organizations.

## 6) Individual Organization Proposals

We recommend that the Individual Organization Proposals be addressed as follows:

a) We recommend that the proposal by the TCU (Clerical) regarding wage equalization at CSXT be returned to the property for further handling as mutually agreeable.

b) We recommend that the proposal by the BLET to grant Conductors that they represent a certification allowance equal to the certification allowance to be paid to UTU Conductors under the 2011 UTU Agreement, be sent to local discussions between the BLET and those Carriers who employ Conductors represented by the BLET.

c) We recommend that the proposal by the BMWED to update the mileage rate for Rest Day Travel Allowances (all other aspects of the Rest Day Travel proposal are recommended to be withdrawn) be referred to further discussions as mutually agreeable on a national or system-wide basis.

d) We recommend that the proposal by the BMWED regarding expenses away from home be referred to system-wide handling as may be mutually agreeable.

We do not recommend binding interest arbitration of this issue and recommend that these discussions occur outside of the formal RLA procedures for negotiations.

We recommend that the BRS proposal be sent back to the parties for a single non-binding study and fact-finding designed to focus upon the job responsibilities of a Signal Maintenance employee and a Signal Installer. We anticipate that a single study or fact-finding hearing will occur at which representatives and/or witnesses from all relevant Carriers will participate. The results may serve as a basis for a mutually agreeable solution during the moratorium or barring that will be available to inform the parties on this issue for the next set of Section 6 negotiations.

We recommend withdrawal of all of the remaining Individual Organization Proposals.


## VII. CONCLUSION

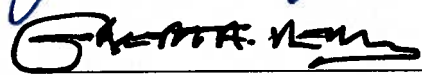
This report is submitted by the Emergency Board in the hope that it will be viewed by the parties as a fair and reasonable basis for resolution of all issues remaining in dispute.

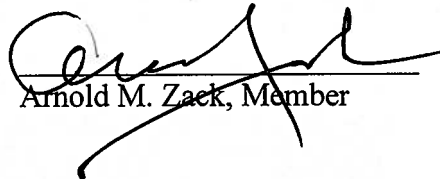
Respectfully submitted,

  
Ira F. Jaffe, Chairman

  
Roberta Golick, Member

  
Joshua M. Javits, Member

  
Gilbert H. Vernon, Member

  
Arnold M. Zack, Member