

2020 Bargaining Round

BMWED & SMART-Mechanical
Work Rule Proposals
April 15, 2020



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Contracting Modification

Core Business Focus:

The industry's core business is transportation of freight, yet there is still some work performed by carrier employees that does not directly support that function. In order to meet the increasing demands of our customers, it is critical that the carriers have flexibility with non-core work, including the ability to contract out such work without notice. This includes but is not limited to:

Building Construction and Maintenance (BMWED and SMART-M)

Public Road Crossing Rehabilitation (BMWED)



Contracting Modification

❑ Short Term (BMWED and SMART-M)

- ❑ Limitations of short term work often delay or prevent the carriers from promptly responding to urgent or unplanned short term projects. In order to better serve our customers, this proposal seeks to give the carriers additional flexibility to contract out any type of work, without notice, for short term or unplanned events.



Contracting Modification

❑ New Installations (BMWED and SMART-M)

- ❑ New technology and new installations are commonly more suited for outside vendors as opposed to Carrier internal maintenance operations. This proposal aims to allow the people who have the specific expertise and experience to be the ones to perform new installations without restrictions, while allowing carrier employees to focus on the core tasks of running and maintaining the railroad.



Scheduling Relief

❑ 40-Hour Workweek (BMWED and SMART-M)

- ❑ Existing 40-hour workweek rules originate from agreements signed in the 1940's. Under these agreements, carriers are restricted to scheduling work between Monday and Friday on a five-day, eight-hour/day schedule. In many cases, these schedules are inconsistent with the demands of modern rail operations.
- ❑ This proposal gives carriers additional operational flexibility by removing restrictions on scheduling of assignments over weekends. Additionally, the proposal would allow carriers the flexibility to schedule employees on a four day, 10-hour per shift schedule.



Work Rule Flexibility

Incidental Work Rule/Simple Tasks (BMWED)

- Current rules require carriers to assign incidental work or simple tasks to a single craft when such work could be done by other crafts. These rules are inefficient and delay operations. The industry successfully implemented an incidental work/simple tasks rule with respect to Shop Crafts many years ago.
- This proposal would extend those concepts to other crafts. An employee may be required, so far as the employee is capable, to perform tasks covered by any classification of work rules or scope rules applicable to maintenance of way.



Work Rule Flexibility

Universal Shop Craft Employee (SMART-M)

- Shop Craft classification of work rules do not reflect modern shop practices and technological advancements. Many of these classification rules impede efficient performance of work and are inconsistent with practices in other industries.
- In order to provide carriers with the flexibility they need to remain competitive, this proposal contemplates eliminating inefficient classification of work rules. This proposal would provide for cross craft flexibility in specialized skill sets.



Labor Protection Modification

- ❑ Current protective benefit agreements – a few of which offer lifetime protection – are well outside of the mainstream relative to similar severance plans and programs offered in other industries. Protective benefit agreements discourage hiring additional employees to pursue new business opportunities out of concern over the impact of future furloughs. Railroads seek to modernize protective benefit arrangements to grow business and create more jobs. (BMWED and SMART-M)
- ❑ Except as provided under labor protective conditions imposed by the ICC or STB, this proposal contemplates the elimination of contractual rights to protective benefits as follows:
 - ❑ Any employee hired subsequent to the effective date of this agreement will not be eligible for protective benefits and will not be considered a qualifying employee for the purposes of receiving such benefits.
 - ❑ Any employee hired on or before the date of the agreement will, if otherwise eligible under prior agreements, retain existing rights to protection.



Temporary Utilization

Furlough Utilization (BMWED and SMART-M)

- Existing agreements limit the ability of carriers to assign furloughed employees to any seniority district where their services could be utilized. As a result, furloughed employees lose potential work opportunities.
- This proposal will enable carriers to offer work opportunities to furloughed employees across seniority districts based on operational need and for a limited time period.

Temporary Active Employee Utilization (BMWED and SMART-M)

- Existing agreements limit the ability of carriers to assign employees off of their designated seniority districts. Carriers may experience unequal work loads across different locations as a result of business fluctuations, operational exigencies, or emergencies. In these instances, carriers should be able to temporarily use employees across seniority lines without regard to seniority.
- This proposal will allow carriers to transfer employees across seniority districts for a limited time period based on operational need.



Training & Utilization

- ❑ To maximize safety and efficiency, railroads must ensure that individuals who are trained for their jobs, especially highly technical and/or safety sensitive positions, fully utilize their training and qualifications. (BMWED and SMART-M)
- ❑ In general, an employee must be qualified on a position in order to exercise displacement of a junior employee.
- ❑ When hired or bidding into an open vacancy that requires training/qualifications in order to perform the required duties, the employee will be ineligible to be awarded any other vacancy for a period of time after the completion of training.
 - ❑ There will be a limited exception where current agreements allow for employees to displace junior employees pending successful completion of a qualification period.



Management Right of Selection

- Carrier right of selection rules already exist in certain crafts, such as the clerical craft, and the carriers seek to expand this right to all crafts. Expanded rights of appointment and removal will allow carriers to designate specific employees for critical positions, including positions working with highly complex machinery or dealing with highly sensitive or confidential information. (BMWED and SMART-M)

- The carriers shall have the right to designate – at their discretion – certain assignments that will be exempt from the seniority rules of applicable CBAs governing:
 - promotion to positions;
 - assignment to positions; and
 - displacement to positions



Consolidate Agreements

- ❑ On many carrier properties, the agreements of former legacy railroads are still in place, requiring carriers and organizations to manage multiple contracts for a single craft. Multiple agreements cause confusion and inefficiency. (BMWED and SMART-M)
- ❑ This proposal will afford carriers and organizations the opportunity to negotiate consolidated agreements on an aggregated cost neutral basis. At its discretion, each carrier may serve a 30-day notice of proposed changes to consolidate agreements on terms that impose no additional cost to the carrier. In response, the carrier and affected organization will negotiate in an effort to reach a consolidated agreement. If they fail to agree, the matter will be referred to final and binding arbitration.
- ❑ Employees with seniority at the time of consolidation whose agreement is absorbed in the consolidation will maintain prior-rights to bid and displace to positions on their former seniority territory.



BMWED and SMART-M Craft Proposals

Nothing in these Proposals are intended to restrict any existing rights of any carrier.



Questions/Comments

