Brotherhood of Maintenance of Way Employes Division
of the International Brotherhood of Teamsters

NEWS CLIPS

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Randall Brassell, Director of Communications
Telephone: 615-521-4097 (Fax) 615-824-2164
email: rbrassell1@aol.com

UP investing $26 million in central Nebraska track

Friday, October 09, 2009

Trains will operate more efficiently as a result of more than $26 million in track improvements made by Union Pacific to its line between Schuyler, Neb., and Duncan, Neb. When the project is complete, crews will have removed and replaced more than 77,000 concrete ties and 30 miles of rail, spread more than 100,000 tons of rock ballast and replaced the road surfaces at 17 crossings. The project began October 2 and is scheduled to be completed by mid November.

Crews will complete this track improvement project using Union Pacific's modern track renewal train, the TRT 909. The TRT 909 installs rail and concrete ties in one pass, and can install up to 5,000 ties in a 12-hour day. About 30 cars - each carrying 210 concrete ties - are part of the TRT. Three sets of gantry cranes move the concrete ties forward for the TRT to drop into place and the machine then threads the new rail onto the ties. The old wooden ties are picked up and the discarded rail threaded out as the machine works its way down the track. A conveyor moves the removed ties into position for the gantry cranes to load them onto the cars for movement to a facility for sorting. The TRT 909 can install concrete, composite and wooden ties.

In 2008, Union Pacific's engineering renewal program invested more than $254 million in track work and facility improvements in Nebraska to ensure safe, reliable transportation.

10/12/2009 Short Lines

FRA makes $5 million available for short-line projects; BMWED ratifies Iowa Interstate pact

The Federal Railroad Administration (FRA) recently issued a notice of funding availability to state departments of transportation regarding about $5 million in grants for railroad rehabilitation and repair projects.

Eligible projects include Class II and Class III infrastructure damaged by natural disasters in counties federally declared as major disaster areas between Jan. 1, 2008, and Oct. 6, 2009. The FRA might award one or more grants, which can be used to help finance projects involving rights of way, bridges, signals and other infrastructure.

Meanwhile, members of the Brotherhood of Maintenance of Way Employes Division's (BMWED) Midwest System Federation overwhelmingly ratified an agreement with the Iowa Interstate Railroad Ltd.

The five-year contract provides annual wage increases and a number of work rule improvements. The pact also requires Iowa Interstate to enroll employees in the national health and welfare plan. The federation represents about 700 BMWED members who build, construct, inspect and maintain tracks, bridges, buildings and equipment

10/13/2009 Ridership

Amtrak registers second-highest passenger count in FY09; TriMet posts ridership drop in September

During fiscal-year 2009, which ended Sept. 30, Amtrak carried 27.2 million passengers — the national intercity passenger railroad's second-highest annual ridership since it began operations in 1971. The record of 28.7 million passengers was set in FY2008.

"Reduced business travel along the Northeast Corridor prevented us from reaching the ridership we achieved last year," said Amtrak President and Chief Executive Officer Joseph Boardman in a prepared statement.

Fifteen long-distance trains boosted ridership a total of 0.7 percent, while Amtrak registered ridership gains in the following corridors: Chicago-St. Louis (6 percent); Raleigh-Charlotte Piedmont (3.8 percent); Harrisburg-Philadelphia-New York Keystone Service (2.7 percent); and Washington-St. Albans Vermonter (1.9 percent).

In addition, passenger counts increased 22.3 percent on the Los Angeles-Seattle Coast Starlight, 9.8 percent on the L.A.-New Orleans Sunset Limited, 3.6 percent on the San Antonio-Chicago Texas Eagle, 3.4 percent on the New York-Miami Silver Meteor and 1.1 percent on the

Silver Star.

FY2009 ticket revenue totaled $1.6 billion vs. $1.7 billion the previous fiscal year and on-time performance topped 80 percent system-wide vs. 71 percent in FY2008.

Meanwhile, the Tri-County Metropolitan Transportation District of Oregon (TriMet) reported September ridership of 8.3 million rail and bus trips, down 4 percent compared with September 2008's total. Ridership was impacted by service cuts, the ongoing recession, double-digit unemployment levels and lower gas prices, TriMet officials said in a statement.

The opening of the MAX Green Line helped total MAX light-rail ridership increase 12 percent to 785,000 trips. Weekday MAX trips rose 9.8 percent to 121,200, rush-hour trips increased 6.7 percent to 36,400 and weekend trips jumped 19.1 percent to 179,000.

TriMet's new WES commuter-rail service, which opened in February, registered 5,625 weekly trips in September.

Insurance Industry Report: So Twisted Even Its Author Disowns It

Posted By Mike Hall On October 14, 2009 @ 4:33 pm In the States, Legislation & Politics

Turns out the "[1] report" on health care reform, released by America's Health Insurance Plans (AHIP), is being denounced by the very company that prepared it.

PriceWaterhouseCoopers (PwC) admits that at the request of AHIP, it cooked up the scariest scenario possible about the cost of health care reform and ignored factors that show health care reform could actually save money.

According to the Politico's [2] Live Pulse column, PwC released a statement basically saying, "Hey, we weren't paid to evaluate the effects of the entire bill, but rather a small slice of it." The statement only seems to reinforce critics' view that the report is skewed precisely because it doesn't take into account the totality of reform.

The last, and key, line from the statement: "If other provisions in health care reform are successful in lowering costs over the long term, those improvements would offset some of the impacts we have estimated."

In other words, PwC is saying if reform's cost containment measures work, their estimate could be wrong.

Speaking of insurance companies' casual relationship with the truth and [3] their scare tactics campaign, members of the Alliance for Retired Americans are protesting today in front of the Albuquerque Humana headquarters (an AHIP member), denouncing its recent mailings targeting seniors and demanding they halt participation in the AHIP ad campaign.

Humana and other insurance companies recently [4] sent letters to seniors with Medicare Advantage policies, claiming health care reform legislation would cause "millions of seniors and disabled individuals" to lose their benefits. The privately-run Medicare advantage plans cost an average of 14 percent more than traditional Medicare.

Humana is the second-largest provider of Medicare Advantage policies in the nation. Says John "J.D." Doran, acting president of the New Mexico Alliance for Retired Americans:

Humana and AHIP's behavior is unacceptable. Seniors like myself know the truth about health insurance reform and are working harder than ever to cut wasteful government subsidies to insurance companies and to push for a public option.

Card Check Grows in Union Organizing

By KRIS MAHER

October 14, 2009

Even as union leaders press for card-check legislation in Washington, more local unions already are turning to the controversial method of organizing -- and making some gains.

Current law allows unions to organize workers by having them check a box on a card, as opposed to holding an election, if a company approves. Unions are pushing hard for a law, the Employee Free Choice Act, that would allow card check without an employer's sign-off, a measure that many large employers and business lobbying groups oppose.

New statistics suggest card check is the preferred method of organizing. The number of unionization elections in the U.S. fell 16% in the year ended Sept. 30, continuing a long-term trend, according to preliminary data from the National Labor Relations Board, which administers elections.

Labor experts say elections are less efficient for unions than in 1935 when the National Labor Relations Act, spelling out the election process, was passed, and when companies had large single plants with several thousand employees. Today, plants are smaller and companies more decentralized, so it is harder to organize large groups. Unions and employers often wrangle over whether telecommuters, temporary workers and workers classified as independent contractors are eligible to vote in an election.

As companies have become effective in campaigning against unions, the elections have also become more drawn out. The United Food and Commercial Workers recently won an election to represent 5,000 workers at Smithfield Foods Inc. after a 15-year campaign.

The Employee Free Choice Act would also accelerate the election process in cases in which card check isn't used.

Business groups say the election process works fine and point to the union win rate as an indication. Even though they are holding fewer elections, unions are winning more of them -- 63.8% compared with 60% a year earlier.

"Clearly if the system were broken, they wouldn't win the majority of elections," said Michael Eastman, executive director of labor policy for the U.S. Chamber of Commerce.

Business groups said they expected a drop in elections because unions increasingly favor the card-check method. Unions say 80% of organizing is done through that method.

Many unions aren't pursuing elections because if they lose, they can't hold another election for a year. Unions also say they are holding fewer elections because they are more focused on trade cases against imports, which they say will save jobs, and lobbying for the card-check legislation and a health-care overhaul.

The Employee Free Choice Act has stalled in Congress, though several Democratic lawmakers recently said they could still pass a version this year.

Ford, UAW Agree to Labor Contract

By Peter Whoriskey
Washington Post Staff Writer
Wednesday, October 14, 2009

Ford and the United Auto Workers have reached a tentative labor accord, officials said Tuesday, completing a round of union concessions that began earlier this year during the near-collapse of the U.S. auto industry.

The union had previously made concessions to General Motors and Chrysler as those companies slipped into bankruptcy proceedings.

The revised Ford deal, which must still be ratified by workers, gives the automaker a similar arrangement to those of its major U.S. competitors, sources close to the negotiations said.

The agreement "would help Ford improve its current and long-term competitiveness in the United States," Joe Hinrichs, Ford's head of labor relations, said in a statement.

A council of UAW officials approved the agreement Tuesday, the union said.

"This agreement is another step in meeting the challenges of a very difficult time in the U.S. auto industry, and we look forward to presenting it to UAW Ford workers," UAW President Ronald A. Gettelfinger said in a statement.

The details of the agreement were not officially disclosed. But according to sources, among the key concessions from the union are a commitment not to strike on wage and benefits until 2012, a wage freeze on entry-level workers, and a relaxation in work rules to allow employees to perform a wider variety of tasks.

The sources spoke on the condition of anonymity because the agreement has not yet won ratification.

Gary Chaison, a professor of labor relations at Clark University, said the most troubling concession for union members is the commitment not to strike until 2012.

"Workers understand that they have to take cuts in bad times," he said. "But the loss of the strike option makes them wonder if, when times get better, they will lose the power to recoup their losses."

Though the agreement requires union concessions, it does give full-time workers a one-time $1,000 bonus. The award is called a "quality and productivity" bonus, but some regard that element as a sweetener offered to encourage passage of the agreement.

Under the agreement, Ford also said it would commit new products to assembly plants in Ohio, Michigan, Kansas City and Chicago.

The union indicated that another part of the agreement's appeal is that it helped protect retirees.

"With the current proposals, we have protected our retirees and won important additional product and investment commitments for our active members," said UAW Vice President Bob King, who leads the union negotiations with Ford.

The GOP vs. Labor Law

Why Republicans are blocking the nomination of Patricia Smith.

The signature achievement of the late Republican ascendancy was government failure. Regulators scaled back enforcement. Agencies were filled with former lobbyists.

It worked superbly for the party's supporters, but not so well for the rest of us. And today, though the GOP has paid for its sins at the polls, it is still playing the same game.

Last week, Sen. Mike Enzi, Republican of Wyoming, announced that he was placing a "hold" on the nomination of M. Patricia Smith as solicitor of the U.S. Department of Labor. I suspect his reason for going after Ms. Smith, who is currently the New York State labor commissioner, is because she is an effective and innovative labor bureaucrat. With Mr. Enzi's hold, she will now need 60 votes in the Senate to win confirmation.

What Mr. Enzi claims to find intolerable about Ms. Smith is the way she has described New York's "Wage Watch" program, which encourages employees to report labor law violations. In a letter to President Barack Obama, Mr. Enzi claimed there were "four significant inconsistencies between Ms Smith's statements" and documents describing the program. One of which—prepare yourself—concerns just who came up with the idea for the program. Ms. Smith originally said it was somebody in her department, but later she allowed that one of her lieutenants may have gotten the idea from someone who didn't work for the department. Woe betide those who get their ideas from others!

Mr. Enzi characterizes Ms. Smith's mistakes as damning errors, but the real issue is regulation, and government's willingness to enforce it. We now know that it wasn't a good idea to defund and demoralize the agencies that were supposed to supervise the financial industry, but the lesson should go much deeper than that. The late Bush administration practiced regulatory euthanasia all across Washington, and the consequences have been felt in every corner of the economy.

The Labor Department was hit worst of all, a bureaucracy that was run in reverse until the motor seized up and the wheels came off. This past March the Government Accountability Office (GAO) released a report on the department's Wage and Hour Division that reads like one of the pranks Spy magazine pulled off in its heyday. It seems that over the preceding nine months, a group of GAO investigators filed 10 made-up complaints with the Wage and Hour Division to see how it would respond. One of them alleged that kids were working "on heavy machinery" in a meatpacking plant during school hours. Wage and Hour simply blew that one off. As the report concludes in its inimitable government style, the Labor Department "successfully investigated 1 of our 10 fictitious cases."

But maybe that's the sort of batting average you should expect after you pack the lineup with business-friendly all-stars. One of the brightest was conservative wunderkind Horace Cooper, a former chief of staff in the U.S. Labor Department's Employment Standards Division who was indicted for obstruction of justice and other charges in August after allegedly using his position to do favors for a Saipan garment manufacturer and allegedly accepting numerous comped meals at Jack Abramoff's restaurants. Mr. Cooper has pleaded not guilty and denies wrongdoing.

What is it about Ms. Smith that makes her unfit to follow such august public servants? Is it the dread possibility of a Labor Department that works?

Ms. Smith has "created some of the best outreach and enforcement programs in the nation," says Kim Bobo, head of the advocacy group Interfaith Worker Justice and a critic of the Bush-era Labor Department.

Outreach is just what understaffed labor agencies need. Governments ought to enlist private citizens and community groups to help people "come forward if they have complaints and problems. That's exactly the kind of thing we need to extend capacity," Ms. Bobo told me.

Yet the menace of outreach is why conservatives objected to the "Wage Watch" program even before they decided that the real problem was Ms. Smith's statements. It was a dangerous scheme, Mr. Enzi's office asserted in a statement quoted by Crain's New York Business; a program that would "endow union organizers and community activist groups like ACORN with vigilante power."

Never mind that Acorn had nothing to do with Wage Watch, or that its participants would have no enforcement power greater than handing out flyers, or that the program itself is only now barely off the ground. This is another fight to save liberty itself from the totalitarian onslaught of the liberals. Call the Glenn Beck hotline!

The days when the system didn't work at all? That was a golden age of human freedom, presumably. A government that encourages workers to find out about the nation's labor laws? Mob rule.

Write to thomas@wsj.com

CSX 3Q earnings fall but beat Street

October15, 2009

CSX Corp. saw its third-quarter earnings fall 23% from the comparable period a year ago due to the continued effects of the economic slowdown. CSX earned $293 million in the third quarter on revenue of $2.29 billion, also down 23%. But earnings of 74 cents per share still beat Wall Street consensus estimates of 71 cents per share for the quarter.

The performance contributed to a strong performance by CSX shares Wednesday, up 5.76%, or $2.55, to $46.83 in midafternoon trading on the New York Stock Exchange.

Though CSX cautioned that demand for coal will remain weakwell into next year, it also noted that the decline in third-quarter volume wasn't as steep as had occurred in the second quarter of 2009, suggesting that freight traffic losses were nearing a bottom. "The third quarter reinforces our view that the worst of the recession is likely behind us," Chairman, President and CEO Michael J. Ward said in a statement.

CSX offset some slower business in the third quarter by drastically cutting expenses, resulting in a 24% decline in total operating costs. Fuel costs were less than half what they were a year ago. The company said "pricing remained strong and consistent with prior quarters," although it made less money per unit of freight than it did at the same point last year.

Labor unions turn against parts of health bill

by John Fritze, USA TODAY

October 16, 2009

WASHINGTON — A coalition of labor unions is emerging as a leading critic of an $829 billion health care bill heading toward a Senate vote, complicating debate among Democrats over how to pay for the measure.

Unions had largely supported President Obama's effort to revamp the nation's $2.6 trillion health care system, but 27 labor groups have launched a campaign against key provisions in the bill passed this week by the Senate Finance Committee.

Many groups with a stake in the health care fight have objected to the legislation — including the insurance trade group, America's Health Insurance Plans — but labor has traditionally had closer ties to Democrats, who control Congress.

Unions spent $75 million on contributions to federal candidates in 2008, 92% of which went to Democrats, according to the Center for Responsive Politics.

"This push is really a reflection of the struggle that's going to take place in the Democratic Party in how you move forward," said Jacob Hacker, a political scientist at Yale University.

Senate Majority Leader Harry Reid of Nevada and other Democratic leaders have started merging the Finance Committee bill with separate legislation approved in July by the Senate's health committee. The new bill is to be released this month.

Unions want Reid to include a government-run insurance program in the merged bill and remove a tax on high-priced insurance policies.Gerald McEntee, head of the American Federation of State, County and Municipal Employees (AFSCME), estimates half of its 1.6 million members would be affected by the tax.

McEntee said union workers have often chosen to accept lower wages in exchange for better and more costly health insurance. He said union members, who frequently organize get-out-the-vote efforts for Democrats, won't be afraid to remind politicians of that in next year's election.

"We worked for all these people. We worked for Obama," he said. "What do we get for it? We not only don't get anything for it, we get a slap in the face."

McEntee favors the House health care bill, which includes an income tax surcharge on high-income workers and a government insurance plan.

Many of the ideas favored by unions are opposed by moderate Democrats as well as Republicans and would make it difficult to attract the 60 votes needed in the Senate to end filibusters. Sen. Kent Conrad, D-N.D., for instance, has said he will not support government-run insurance called for in other versions of the bill.

The AFL-CIO, the Air Line Pilots Association and the UAW are also part of the coalition. The effort began with newspaper advertisements this week and McEntee said it may expand into television ads and "boots on the ground" in coming weeks.

Senate Minority Leader Mitch McConnell warned that the Senate Finance Committee bill will become more partisan as it is merged with other bills. "Right down here in the majority leader's conference room they'll be writing the real bill," he said.

Sen. Sherrod Brown, D-Ohio, said unions raise legitimate concerns. "This bill is going to change significantly," he said.

10/16/2009 Traffic

AAR weekly report: North American roads register more traffic declines

Another week, another disappointing traffic report from the Association of American Railroads (AAR). During the week ending Oct. 10, U.S. railroads originated 273,429 carloads, down 17.2 percent, and 208,941 intermodal loads, down 11 percent compared with volume from the same week last year. Regionally, carloads fell 15.4 percent in the West and 19.7 percent in the East, the AAR said.

Canadian railroads reported weekly carload volume of 67,651 units, down 13.6 percent, and intermodal volume of 45,392 units, down 9.5 percent. Mexican railroads' originated carloads declined 4.8 percent to 11,683 units and intermodal volume dropped 10.8 percent to 7,043 units.

10/16/2009 Economic Indicator

TSI reaches slightly higher altitude in August, USDOT says

Good news on the economic recovery front: The Transportation Services Index (TSI) in August climbed 0.7 percent to 99.5 compared with July's index, according to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS).

"Economic data like this should give us hope that our worst days are behind us," said U.S. Transportation Secretary Ray LaHood in a prepared statement.

However, August's TSI remained well below last year's pace, falling 9.3 percent vs. August 2008's level.

The Freight TSI also rose 0.7 percent on a month-over-month basis to 96.2, registering a second-straight monthly increase. But the index declined 10.9 percent year over year and dropped to its lowest August level since 1997.

The Passenger TSI increased 0.8 percent from July's level to 111.2. The index also rose 4.2 percent on a year-over-year basis.

Defections Expose Chamber's Dirty Little Secrets

By Steven Pearlstein, Washington Post
Friday, October 16, 2009

It's been a lousy week for Tom Donohue and his pals over at the U.S. Chamber of Commerce.

For months now, Tom has been crisscrossing the country looking for corporate donations with which to launch a campaign to "remind, educate and persuade" Americans that the free enterprise system is what has made America great and is what will once again "lead us back to prosperity."

Normally, it wouldn't take a $100 million propaganda effort to convince most Americans of the value of "individual initiative, hard work, freedom of choice and free exchange of trade, capital and ideas." But inasmuch as the country is now mired in the worst recession in 75 years after a decade in which the government pursued the rabidly free-market agenda espoused by the Chamber, you can appreciate Tom's problem.

The Campaign for Free Enterprise, of course, is not really about creating 20 million jobs over the next decade -- if Chamber members could double their profits while creating not a single new job, that would suit them just fine. Rather, it's nothing more than a desperate attempt to repackage the same old anti-tax, anti-regulation, anti-government rhetoric in hopes of derailing the major initiatives of the Obama administration and the Democratic Congress.

Unfortunately for Tom, the world is finally catching on to his game.

In the past few weeks, a number of big-name companies -- including Apple, Nike and PG&E -- have resigned from the Chamber or its various boards and committees over its continued opposition to doing anything about global warming. Donohue and his minions tried to brush off the corporate defections as nothing more than a PR stunt orchestrated by environmental activists that would have little impact on an organization with 3 million members. But in the process, the controversy managed to expose three embarrassing truths about the Chamber.

The first truth is that the Chamber, in fact, does not represent anything close to the 3 million businesses it has always claimed. In response to an inquiry from Mother Jones, the chamber acknowledged that its actual paid membership is only 300,000, including several thousand local chambers of commerce whose own membership was used in calculating the inflated 3 million figure. Moreover, when Josh Harkinson of Mother Jones contacted some of those local chambers, their leaders took pains to distance themselves from the national organization, whose policies, they said, they had no hand in shaping and with which they frequently disagree.

"They don't represent me," said Mark Jaffe, chief executive of the Greater New York Chamber.

Indeed, the second dirty little secret that was revealed by the defections is how undemocratic the Chamber has become. Among lobbyists in Washington, the Chamber is known as a staff-driven organization, which should hardly be a surprise given the wide range of businesses that belong to it. And with a board of directors that is self-appointed and has an unwieldy 120 members, it should be no surprise that Donohue and his top staff really call the shots. While the Chamber likes to point to its network of policy committees that supposedly advise the board, the panels tend to be dominated by those members with special interests to protect. Recorded votes are rare, and presentations are heavily skewed toward experts who agree with the positions staked out by Donohue's lobbyists, who over the past 15 years tightly allied themselves with the Bush White House and the Republican leadership on Capitol Hill.

Moreover, much of the Chamber's public policy effort these days is now funneled through a network of independent entities that it has sponsored to work on specific issues. These arrangements allow the Chamber to raise large sums from businesses that may not want to be publicly identified with hardball tactics like filing lawsuits or running negative ads. The entities have the advantage of not being subject to limits on corporate political contributions, nor do they have to disclose where they get their money or how they spend it.

What we've also learned this week is how disingenuous the Chamber has become in its Washington lobbying. To hear it from Donohue and his minions, it's not that the business community opposes financial regulation, or universal health care or controlling greenhouse gases -- it's just opposed to every credible idea for doing something about them. And rather than focus on working constructively to improve legislation, the Chamber's default strategy is to try to kill it outright through exaggeration, misrepresentation and outright lies.

In the hands of the Chamber's propagandists, a rather straightforward effort to halt abuses by mortgage brokers and credit card lenders is being transformed into a regulatory power-grab that will ensnare butchers and bakers and candlestick makers.

A tax on gold-plated health plans that will generate the money needed to provide health insurance subsidies to low-wage workers is turned into a huge income tax on small-business owners that will snuff out job creation.

And a proposal for a cap-and-trade system for carbon emissions suddenly is dismissed as an economy-crushing tax increase that will send all manufacturing over to China.

Earlier this month, I went to one of those off-the-record dinners you might have heard about, where the chief executive of a big and well-known corporation was bemoaning the inability of government to deal with big problems like huge deficits, global warming and the failure to turn out more college graduates and PhDs in science.

When it came my turn to respond, I asked why he continued to pay dues to business associations that for much of the last 15 years had set out to deliberately undermine the public's confidence in government and starve the tax revenues. I never got an answer.

Steven Pearlstein can be reached at pearlsteins@washpost.com.

EXCERPT New York Times:

By JACKIE CALMES
Published: October 16, 2009

WASHINGTON — The Obama administration said Friday that the federal budget deficit for the fiscal year that just ended was $1.4 trillion, nearly a trillion dollars greater than the year before and the largest shortfall relative to the size of the economy since 1945.