

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



NEWS CLIPS

November 13, 2009

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

November 7, 2009

Broader Measure of U.S. Unemployment Stands at 17.5%

By [DAVID LEONHARDT](#)

For all the pain caused by the Great Recession, the job market still was not in as bad shape as it had been during the depths of the early 1980s [recession](#) — until now.

With the release of the jobs report on Friday, the broadest measure of unemployment and underemployment tracked by the Labor Department has reached its highest level in decades. If statistics went back so far, the measure would almost certainly be at its highest level since [the Great Depression](#).

In all, more than one out of every six workers — 17.5 percent — were unemployed or underemployed in October. The previous recorded high was 17.1 percent, in December 1982. This includes the officially unemployed, who have looked for work in the last four weeks. It also includes discouraged workers, who have looked in the past year, as well as millions of part-time workers who want to be working full time.

The official jobless rate — 10.2 percent in October, up from 9.8 percent in September — remains lower than the early 1980s peak of 10.8 percent.

The broader rate is highest today, sometimes 20 percent, in states that had big housing bubbles, like California and Arizona, or that have large manufacturing sectors, like Michigan, Ohio, Oregon, Rhode Island and South Carolina.

The new benchmark is a sign of just how much damage financial crises tend to inflict. A [recent book](#) by Carmen M. Reinhart and Kenneth S. Rogoff, two economists, found that over the last century the typical crisis had caused the jobless rate in the country where it occurred to rise for almost five years. By that standard, the jobless rate here would continue rising for two more years, through the end of 2011.

Most economists predict that the rate will in fact begin to fall next year, largely because of the federal government's aggressive response — fiscal stimulus, interest-rate cuts and a variety of creative steps by the [Federal Reserve](#) and [Treasury Department](#). Friday's report showed that monthly job losses continued to slow recently, though the improvement has been gradual.

At the White House Friday, [President Obama](#) signed a bill to extend unemployment benefits and a tax credit for home buyers, and said that he was looking at ways to enact more stimulus. On Wednesday, the Fed announced that it expected to leave its benchmark interest at zero for "an extended period."

Nearly 16 million people are now unemployed and more than seven million jobs have been lost since late 2007.

Officially, the Labor Department's broad measure of unemployment goes back only to 1994. But early this year, with the help of economists at the department, The New York Times created a version that estimates it going back to 1970. If such a measure were available for the Depression, it probably would have exceeded 30 percent.

Compared with the early 1980s, a smaller share of workers today are officially unemployed and a smaller share are considered discouraged workers.

But there are many more people who would like to be working full time and have been able to find only part-time work, according to the government's monthly survey of workers. The rapid increase in their ranks and in the officially unemployed has caused the rate to rise much faster in

this recession than in the early 1980s. Two years ago, it was only 8.2 percent.

One of the more striking aspects of the Great Recession is that most of its impact has fallen on a relatively narrow group of workers. This is evident primarily in two ways.

First, the number of people who have experienced any unemployment is surprisingly low, given the severity of the recession. The pace of layoffs has increased, but the peak layoff rate this year was the same as it was during the 2001 recession, which was a fairly mild downturn. The main reason that the unemployment rate has soared is the hiring rate has plummeted.

So fewer workers than might be expected have lost their jobs. But those without work are paying a steep price, because finding a new job is extremely difficult.

Second, wages have continued to rise for most people who still have jobs. The average hourly wage for rank-and-file workers, who make up about four-fifths of the work force, actually accelerated in October, according to the new report.

Even though some companies have cut the pay of workers, the average hourly wage has still risen 1.5 to 2.5 percent over the last year, depending on which government survey is examined. Average weekly pay has risen less — zero to 1 percent — because hours have been cut. But average prices have fallen. Altogether, the typical worker has received a 1 to 2 percent inflation-adjusted raise over the last year.

In the other two severe recessions in recent decades, workers with jobs fared considerably worse. At the same point in the mid-1970s downturn, real weekly pay had fallen 7 percent; in the early 1980s recession, it had fallen 4 percent.

It is a strange combination: workers who still have a job are doing better than in other deep recessions, but the unemployment and underemployment have risen to their highest level since the Depression.

House Democrats pass health-care bill

One Republican votes for plan Senate will act next on legislation

By Lori Montgomery and Shailagh Murray
Washington Post Staff Writer
Sunday, November 8, 2009

Hours after President Obama exhorted Democratic lawmakers to "answer the call of history," the House hit an unprecedented milestone on the path to health-care reform, approving a trillion-dollar package late Saturday that seeks to overhaul private insurance practices and guarantee comprehensive and affordable coverage to almost every American.

After months of acrimonious partisanship, Democrats closed ranks on a 220-215 vote that included 39 defections, mostly from the party's conservative ranks. But the bill attracted a surprise Republican convert: Rep. [Anh "Joseph" Cao](#) of Louisiana, who represents the Democratic-leaning district of New Orleans and had been the target of a last-minute White House lobbying campaign. GOP House leaders had predicted their members would unanimously oppose the bill.

Democrats have sought for decades to provide universal health care, but not since the 1965 passage of Medicare and Medicaid has a chamber of Congress approved such a vast expansion of coverage. Action

now shifts to the Senate, which could spend the rest of the year debating its version of the health-care overhaul. [Majority Leader Harry M. Reid](#) (D-Nev.) hopes to bring a measure to the floor before Thanksgiving, but legislation may not reach Obama's desk before the new year.

At the Capitol, Obama urged the few Democrats who were still wavering on Saturday afternoon to put aside their political fears and embrace the bill's ambitious objectives. "Opportunities like this come around maybe once in a generation," he said afterward. "This is our moment to live up to the trust that the American people have placed in us. Even when it's hard. Especially when it's hard. This is our moment to deliver."

The House legislation would for the first time require every individual to obtain insurance, and would require all but the smallest employers to provide coverage to their workers. It would vastly expand Medicaid and create a new marketplace where people could obtain federal subsidies to buy insurance from private companies or from a new government-run insurance plan.

Though some people would receive no benefits -- including about 6 million illegal immigrants, according to congressional estimates -- the bill would virtually close the coverage gap for people who do not have access to health-care coverage through their jobs.

"For generations, the American people have called for affordable, quality health care for their families," [House Speaker Nancy Pelosi](#) (D-Calif.) said before the vote. "Today, the call will be answered."

The debate on the House floor extended for about 12 hours and settled into a civil, if predictable, pattern, after a heated start.

Republicans had blasted the 1,990-page bill as an ominous blueprint for a budget-busting government takeover of the private health-care system that would impose unprecedented mandates on individuals and employers, raise an array of taxes and slash projected spending on Medicare, the federal health program for the elderly. At a time of record budget deficits, Republicans argued that the country could ill-afford a new entitlement program that would cost an estimated \$1.05 trillion over the next decade.

"Big government doesn't mean better health care," said [Rep. Kevin Brady](#) (R-Tex.). "This is not the reform families need. This is all about taking a giant first step toward a single-payer national health-care system. Washington will ultimately decide what doctors you can see, what treatments you deserve . . . and, when you're sick, will you be worth their cost?"

Throughout the debate, Republican after Republican warned that the legislation would rob Americans of their right to make choices about their health care, cost the nation jobs and unfairly financially burden future generations.

Pelosi needed to corral at least 218 of 258 Democrats to push the bill across the finish line. That task appeared to grow easier after party leaders broke a weeks-long impasse over abortion by agreeing to hold a vote on an amendment -- offered by antiabortion Democrats -- that would explicitly bar the public plan from covering the procedure. The amendment, approved 240 to 194, with 64 Democrats in favor, also would prohibit people who received insurance subsidies from purchasing private plans that covered abortion.

The deal cleared the way for dozens of antiabortion Democrats to back the package. The most passionate advocates of abortion rights were not happy, but few were prepared to vote down legislation that promises to achieve so many long-held party goals.

The House bill

The complex package would affect virtually every American and fundamentally alter vast swaths of the health insurance industry. Starting next year, private insurers could no longer deny anyone coverage based on preexisting conditions, place lifetime limits on coverage or abandon people when they become ill. Insurers would be required to disclose and justify proposed premium increases to regulators, and could not remove adult children younger than 27 from their parents' family policies.

For the elderly, the group that has been most skeptical of Obama's initiative, the House package would immediately offer discounts on prescription drugs and reduce a gap in Medicare prescription drug coverage, closing it entirely by 2019. Uninsured people who cannot get coverage could join temporary high-risk insurance pools, and unemployed workers would be permitted to keep their COBRA benefits until the public plan and insurance exchanges started in 2013.

In four years, the measure would establish a new insurance system. Businesses with payrolls exceeding \$500,000 would be required to offer their workers insurance or pay a fine of as much as 8 percent of payroll. Individuals would be required to obtain insurance or pay a fine of as much as 2.5 percent of income. States would be required to extend Medicaid coverage to as many as 15 million additional people. Low- and middle-income individuals who still could not afford coverage could apply for federal subsidies through an insurance marketplace that would negotiate with private insurers to provide comprehensive policies alongside a government-run "public option."

Congressional budget analysts say the package would cover an additional 36 million Americans, leaving 18 million people without insurance by 2019, about a third of them illegal immigrants. To avoid increasing the deficit, Democrats would pay for the coverage expansion by slicing more than \$400 billion from Medicare over the next decade, and by imposing a variety of new taxes, primarily a 5.4 percent surcharge on annual income over \$500,000 for individuals and \$1 million for families. Initially, the tax would hit only 0.3 percent of taxpayers, but that number would climb rapidly, because the income thresholds would not be indexed to inflation.

Obstacles overcome

Introduced on July 14, the House package was approved in sections by three House committees. Since August, Pelosi has huddled behind closed doors with various factions of her diverse caucus to merge the three parts into comprehensive legislation.

The sticking points were clear from the start. Conservatives opposed the bill's price tag and limited efforts to cut costs. Moderates, who face the toughest 2010 reelection battles, were wary of big-government overtones in the public option. Democrats from wealthy districts opposed the tax on high earners, which originally would have affected taxpayers with annual incomes as low as \$280,000.

One after another, the obstacles were overcome -- except for the simmering dispute over abortion. In early October, [Rep. Bart Stupak](#), an antiabortion Democrat from Michigan, met with Pelosi to express the strong objections of about 40 Democrats to a provision in the legislation that appeared to allow federal funding of abortion. Stupak said they would oppose the bill unless the language was changed. Pelosi was noncommittal.

Late Friday, the Stupak coalition was still holding strong, and had gained a powerful ally in the U.S. Conference of Catholic Bishops, whose leadership has close connections to Pelosi. Over the strong

objections of Democrats who support abortion rights, the speaker relented to Stupak, awarding him the only Democratic amendment on the floor.

The Senate bill

Attention will now shift back to the Senate. If the Senate acts, negotiations to iron out differences between the two chambers could be wrenching. Among the toughest issues: whether the public option should include an "opt out" clause for states, as Reid has proposed; whether to require employers to provide coverage to their workers or take the less punitive approach preferred by Senate moderates; and whether to tax the rich or tax high-cost health-care policies, as the Senate proposed -- a provision economists call the most important provisions in either bill for reining in costs.

In his lunchtime speech to House Democrats, Obama did not touch on any of those issues. But he acknowledged the anxiety felt by lawmakers who watched independent voters abandon Democratic candidates in Virginia and New Jersey in Tuesday's elections, and he warned that voting down the most significant legislation of his young presidency would only complicate the party's political future.

"If you think the Republicans are not going to go after you if you vote no," the president said, according to several people present, "think again."

New Rule to Benefit Rail, Plane Unions

By MIKE ESTERL and MELANIE TROTTMAN

Organized labor appears to be gaining the upper hand in the skies and on rails, as labor and business battle for influence under the Obama administration.

The National Mediation Board wants to make it easier for thousands of airline and railway workers to unionize under the Railway Labor Act by seeking to junk a 75-year-old election rule, according to a proposal published Monday in the Federal Register.

The move comes after a White House appointment shifted the balance of the government agency's three-person board. Linda Puchala, a former flight attendant union leader, was selected to replace Read Van de Water, a former Northwest Airlines lobbyist, earlier this year. She joined Harry Hoglander, a former pilots union leader appointed in 2002. The NMB regulates labor relations in aviation and rail.

More than 570,000 workers are employed by railroads and airlines, more than two-thirds of whom already are unionized. But changes to the election rules could affect thousands more workers. Delta Air Lines Inc., the world's largest airline, and Continental Airlines Inc. are awaiting unionization votes that would affect about 40,000 workers.

The new policy could mark a significant victory for unions.

Under an interpretation of the Railway Labor Act dating to 1934, aviation and rail workers who don't vote on whether to create a union are counted as "no" votes. That means a union cannot be approved without a full majority of all employees voting yes.

Under the National Labor Relations Act governing other industries, a union can be created as long as a majority of all votes cast are in favor of collective bargaining. In such elections, nonvotes don't count.

Under the proposal made public Monday, which is subject to a 60-day comment period, the NMB would tally votes for air and rail workers in the same way as those other industries. "Few if any" democratic elections treat nonvotes as no votes, the NMB said in the proposal.

Railways, and airlines such as Delta and Continental, strongly oppose the measure. The Air Transport Association, an umbrella group for airlines, said Monday that Congress, not the NMB, has the authority to overhaul the rule.

In a letter Monday to more than a dozen Republican senators, NMB board member Elizabeth Dougherty said the process used by her two colleagues to draft the proposal was "flawed" and that she had been frozen out of deliberations.

"Making this change would be an unprecedented event in the history of the NMB, which has always followed a policy of making major rule changes with consensus," Ms. Dougherty said in a dissenting opinion included in the agency's proposal. Ms. Dougherty, an NMB board member since 2006, was appointed by President George W. Bush.

Labor leaders praised the proposal. "The deck is currently stacked against airline and railroad workers," said Edward Wytkind, president of the AFL-CIO's Transportation Trades Department and its 32 affiliated unions.

"This reform lets workers choose a union the same way they choose the president of the United States," said Teamsters General President Jim Hoffa. "Whichever side gets the most votes, wins."

A White House spokesman declined Monday to comment on the proposal. He said the NMB was an independent agency.

The broader tug of war between business and labor began heating up this year when labor -- emboldened by a majority Democratic Congress and the most union-friendly U.S. president in a generation -- began pushing Congress and regulatory agencies to make it easier for unions to expand.

United Parcel Service Inc., for example, has been cooperating in recent months with a push by the Teamsters union to liberalize other federal labor rules to help the union make inroads at archrival FedEx Corp., where the Teamsters hope to organize as many as 100,000 truck drivers, package sorters and other nonunion employees.

Labor's top priority this year -- passage of the Employee Free Choice Act -- would make it easier for unions in most industries to organize workers and win labor contracts through binding arbitration. It has since stalled in the Senate.

Congress in January did, however, secure the Lilly Ledbetter Fair Pay Act -- extending the window in which workers can sue their employers for wage discrimination. President Barack Obama signed the bill nine days into his presidency.

Mr. Obama named a longtime labor activist, former California Rep. Hilda Solis, to head the Department of Labor. Ms. Solis has stepped up regulatory enforcement on a wide range of issues, including workplace safety.

On Friday, the Labor Department's Occupational Safety and Health Administration issued its highest fine ever for a safety violation, an \$87.4 million penalty against BP PLC, more than four times the previously highest fine. BP said it would appeal.

Union seeks election delay, angering Delta

By Kelly Yamanouchi

The Atlanta Journal-Constitution

The Association of Flight Attendants union withdrew its application for an election at Delta Air Lines, saying it wants to wait for a proposed rule change that would make it easier for the union to win.

The move throws another twist into Delta's effort to resolve labor issues raised by its merger with Northwest Airlines, an effort now entangled with a political battle at the National Mediation Board over the new elections rule.

"The AFA's actions are appalling," Mike Campbell, Delta's executive vice president for human resources and labor, said in a written statement. "Sadly, our flight attendants are trapped in a big labor power play, where their individual interests are being disregarded."

Delta closed its merger with Northwest more than a year ago, and had hoped to resolve labor issues earlier this year. Delta, the least unionized major airline, faces two eventual elections to determine if the combined Delta-Northwest flight attendant and ground worker groups want representation. They were unionized at Northwest.

But the proposed change in the federal rules for airline representation elections has complicated those plans.

The Mediation Board, which governs labor relations at airlines and railroads, on Tuesday published a proposed rule change that had been in the works to require that unions win a majority of votes only from those workers who cast ballots, rather than from a majority of all those eligible to vote. It will take public comments on the matter for 60 days.

The proposed change reflects a shift in the makeup of the three-member board since last year's presidential election. It now includes two former labor union leaders, who favor the change, and a former member of the Bush administration who does not.

Both the Association of Flight Attendants, which represents Northwest attendants, and the International Association of Machinists, which represents some Northwest ground workers, had filed applications for an election with the Mediation Board in recent months. The Mediation Board had not yet ruled on them.

The Machinists union withdrew its request last week, saying it was unrelated to the rule change.

AFA president Pat Friend, however, said Tuesday her union's move to withdraw was directly related to the rule change because it wants the election to occur under the new procedures.

In addition to criticizing the unions for stalling until the rules change, Delta executives have questioned whether the Mediation Board has the authority to make the change and raised the possibility of legal action. Some Republicans in Congress also have voiced opposition.

November 9, 2009

Obama Presses Senate to Pass Its Health Bill

By [SHERYL GAY STOLBERG](#)

WASHINGTON — The White House, growing concerned that the Congressional timetable for passing a health care overhaul could slip into next year, is stepping up pressure on the Senate for quick action, with [President Obama](#) appearing Sunday in the Rose Garden to call on senators to “take up the baton and bring this effort to the finish line.”

Mr. Obama’s remarks came just 14 hours after the House narrowly approved a landmark plan that would cost \$1.1 trillion over 10 years and extend insurance coverage to 36 million uninsured Americans; the president called it “a courageous vote.” But the votes had barely been counted when the White House began turning its attention to an even bigger hurdle: getting legislation passed in the Senate.

In the Senate, where proposals differ substantially from the House-passed measure on issues like a government-run plan and how to pay for coverage, the bill is stalled while budget analysts assess its overall costs. The slim margin in the House — the bill passed with just two votes to spare, and 39 Democrats opposed it — suggests even greater challenges in the Senate, where the majority leader, [Harry Reid](#) of Nevada, is struggling to hold on to all 58 Democrats and two independents in his caucus.

Mr. Obama has staked his domestic agenda on passing comprehensive health legislation, a goal that has eluded presidents for decades. While Democrats were forced to make major concessions on insurance coverage for abortions to win House passage of the bill, they were nonetheless ebullient on Sunday, with many saying the vote gave them momentum to push the bill forward. “For years we’ve been told that this couldn’t be done,” Mr. Obama said in the Rose Garden. Of the American people, he said, “Moments like this are why they sent us here.”

But for all the exultation, there was a sense inside the White House and on Capitol Hill that the hardest work is yet to come. The House debate highlighted the pressures that will come to bear on senators as they weigh contentious issues like federal financing for [abortion](#), coverage for

illegal immigrants and the “[public option](#),” a government-backed insurance plan to compete with the private sector.

In the Senate, Mr. Reid has merged two bills into one. The fine print is not public, but the broad outlines are known. Unlike the House bill, which pays to extend coverage by taxing individuals who earn more than \$500,000 a year and couples who earn more than \$1 million, the Senate bill imposes a 40 percent excise tax on so-called Cadillac plans that cost more than \$8,000 a year for an individual or \$21,000 for a family.

And unlike the House bill, which includes a national public plan, the Senate measure would allow states to opt out. But even that is too much government involvement for moderates like Senator [Joseph I. Lieberman](#) of Connecticut, a Democrat-turned-independent, who pledged Sunday to wage a [filibuster](#) to block any plan with a public option in it.

“If the public option plan is in there,” Mr. Lieberman said on “Fox News Sunday,” “as a matter of conscience, I will not allow this bill to come to a final vote.”

Apart from substantive hurdles, the Senate bill faces procedural ones; Mr. Reid cannot bring it to the floor for debate until he gets an analysis, or “score,” from the nonpartisan [Congressional Budget Office](#), expected later this week. The delay could push Senate consideration of the bill until after Thanksgiving, which could in turn make it very difficult for Congress to meet Mr. Obama’s goal of signing a health bill into law by the end of this year.

The timing is crucial. Administration officials say Mr. Obama wants to wrap up work on health care so that he can turn his attention to other legislative priorities, including passing an energy bill and revamping [financial regulations](#). But White House officials also know that the closer the final vote comes to the November 2010 midterm Congressional elections, the more difficult it will be to pass legislation.

Sending members of Congress home over an extended Christmas break without a health care bill in hand could prove disastrous politically. Democrats remember well the setbacks they suffered over the August recess when the Senate Finance Committee failed to meet Mr. Obama’s deadline for finishing its measure, and lawmakers were pummeled in town-hall-style meetings around the country.

“The holiday break is viewed the same way as the August break,” said one Democrat close to the White House, speaking anonymously to discuss strategy. “We don’t want a repeat. We could probably survive it, but why take the chance?”

The White House began prodding Mr. Reid to move quickly even before Saturday’s House vote. In a private meeting with Mr. Obama this year, Mr. Reid pledged to work to finish the measure by the end of December. But last Tuesday, Mr. Reid said the Senate was “not going to be bound by any timelines.”

On Wednesday, [Rahm Emanuel](#), the White House chief of staff, visited Mr. Reid. The two met on Capitol Hill to “continue the discussion on ways to get a bill done by the end of the year,” said

Mr. Reid's press secretary, Jim Manley, adding that Mr. Reid intends to bring the bill to the floor "as quickly as possible."

In case the leader did not get the message, Mr. Obama reinforced it Saturday night. In a statement after the House vote, he said he looked forward to signing comprehensive health legislation "by the end of the year."

A big question is whether Mr. Reid has the 60 votes that will almost certainly be necessary to permit debate to begin. Mr. Manley said Democrats hoped "the momentum from the House bill will make everyone realize that the Senate should at least have a chance to begin debate." Still, he conceded that there was "no glide path" toward getting the Senate to actually pass the measure.

As the Senate vote draws closer, the fight on the airwaves, where groups for and against the health bill are already spending millions of dollars on advertising, will only intensify. Republicans are also intensifying their opposition as they try to cast Democrats as tax-and-spend liberals, a theme echoed Sunday by Senator [Mitch McConnell](#) of Kentucky, the Republican leader.

"Soon, Senate Democrats will propose their own version," Mr. McConnell said in a statement. "We don't know how big it will be or how expensive, but we do know with certainty that it will mean higher premiums, higher taxes and massive cuts to [Medicare](#) to create even more government programs. That's not reform."

Representative Pete Sessions of Texas, the chairman of the National Republican Congressional Committee, issued a fund-raising appeal within hours of the vote. In an e-mail message to supporters, he said of Democrats, "Their unprecedented power grab will further bankrupt America while destroying the finest medical system in the world."

But Representative Chris Van Hollen of Maryland, the chairman of the Democratic Congressional Campaign Committee, had his own fund-raising appeal, an e-mail message sent to supporters shortly after midnight Sunday that said "thank you for helping to make this historic day." Below the text was a bold blue icon, a link to the committee's fund-raising site, that proclaimed in block letters, "Contribute Now."

Traffic remains down, though four commodities edge upward



November 9, 2009

The Association of American Railroads reported that for the week ended Oct. 31, U.S. railroads originated 275,439 carloads, down 13.7% from the same week in 2008 and down 18.2% from 2007. (In order to offer a complete picture of the progress in traffic, AAR is now reporting 2009 weekly rail traffic

with year-over-year comparisons for both 2008 and 2007.)

U.S. intermodal traffic totaled 203,860 trailers and containers in the latest week, down 11.1% from a year ago and 15.5% from 2007.

While 15 of the 19 carload freight commodity groups were down from last year, there were increases in grain mill products (9.9%), chemicals (3.6%), waste and scrap metal (0.7 %), and nonmetallic minerals (0.3%).

Total volume on U.S. railroads for the week ending Oct. 31 was estimated at 31 billion ton-miles, down 12.7% compared with the same week last year and 13.2% from 2007.

Canadian railroads reported 71,023 carloads for the week, down 8.7 % from last year, and 42,869 intermodal units, down 12.2%. Mexican railroads reported originated volume of 12,952 cars, down 17.2% from 2008, and 7,087 trailers or containers, down 0.5 %.

Combined North American rail volume for the first 43 weeks of 2009 on 13 reporting U.S., Canadian, and Mexican railroads totaled 14,633,769 carloads, down 18.3% from last year, and 10,168,924 trailers and containers, down 16.2%.

BNSF and BLET negotiators agree on wage and rules issues



November 9, 2009

BNSF and the Brotherhood of Locomotive Engineers and Trainmen have reached a tentative agreement on wage and work rules issues that BLET says gives its members "the security of a five-year agreement, additional income and additional time off without a single giveback or rule change." Details of the agreement were not announced. It does not cover health and welfare issues, which will be addressed in industry-wide negotiations that will begin Jan. 1, 2010.

Stephen Speagle, BLET vice president assigned to work with BNSF, said, "The agreement is not all we wanted, no agreement ever is, but in this time of economic troubles and hardship, it is an honor for me and for the four BLET general chairmen to be able to present" the proposal.

Berkshire Hathaway will unload UP and NS shares



November 10, 2009

Berkshire Hathaway, Inc. disclosed in documents filed Monday with the Securities and Exchange Commission that it will sell all of the shares it holds in Union Pacific and Norfolk Southern prior to completing its planned acquisition of BNSF Railway.

Berkshire will dispose of 9.6 million shares of Union Pacific and 1.9 million shares of Norfolk Southern.

Berkshire, which already owns 22.6% of BNSF's stock, announced last week that it plans to acquire the rest for \$100 a share in a deal worth a total of \$44 billion, including assumption of debt. Two years ago, Berkshire began to sell some of its NS and UP stock as it increased its stake in BNSF.

UTU moves to keep crew sizes off the bargaining table



November 11, 2009

The United Transportation Union says it has asked a federal district court in East St. Louis, Ill., to rule--"yet again"--that the UTU has no obligation to bargain nationally over crew consist.

"That same federal district court so ruled on March 10, 2006, after the railroads' bargaining agent, the National Carriers' Conference Committee, demanded that the UTU negotiate, at the national level, that crew size be reduced," says the union. "The carriers had sought, during the 2005 round of negotiations, to eliminate conductor and brakemen positions on through freight trains."

At that time the court accepted UTU's contention that "existing agreements relating to minimum train crew size are negotiated on a railroad-by-railroad basis through UTU general committees of adjustment, and any attempt by the carriers to change those agreements must be handled at the general committee level and not in so-called national handling where the major railroads coordinate their bargaining through the NCCC."

In its new petition to the same court, UTU notes that "in serving on the UTU their latest intended amendments to agreements affecting rates of pay, rules and working conditions, the NCCC on Nov. 2 said it wants to explore opportunities for mutually beneficial alternatives to existing staffing models that enhance safety and productivity, fairly address employee interests and concerns, and recognize the unique opportunities still available to the parties to negotiate meaningful changes."

Florida legislators close to SunRail deal



Thursday, November 12, 2009

After two embarrassing defeats, the SunRail commuter train could be on the verge of winning approval in the Florida state Legislature, according to the *Orlando Sentinel*. Supporters are lining up votes and drafting a bill for a special session that could be held in Tallahassee during the week of Dec. 7.



Orlando Mayor Buddy Dyer said he is "extremely optimistic" about the chances of passage for the \$1.2-billion project that would link DeLand in Volusia County with downtown Orlando and Poinciana in Osceola County.

Though no SunRail backers will publicly say they have a done deal, they are confident of getting more than the 21 votes needed to win in the 40-member Senate.

House Speaker Larry Cretul, R-Ocala, and Speaker-Designate Dean Cannon, R-Winter Park, both contend they have enough votes in their chamber to approve the train. But Cretul has said he first wants to see the finer points of the rail legislation along with a Senate vote count before joining Senate President Jeff Atwater to formally schedule the special session.

Although Dyer was hopeful both times the plan was shot down in the state Senate - most recently in April - a lot has changed in recent months. Most prominently, U.S. Department of Transportation Secretary Ray LaHood has repeatedly told Florida's elected officials that their chances of winning any stimulus money for a proposed high-speed train connecting Orlando with Tampa would be virtually nil without first showing support for SunRail and the already operational Tri-Rail commuter train in South Florida.

U.S. Sen. George LeMieux echoed that sentiment Wednesday after a meeting with area leaders at the Central Florida Partnership in downtown Orlando.

LeMieux conceded he did not have a firm commitment for the high-speed money, but he said approving SunRail would be extremely helpful. "Give me the ammunition as a United States senator by passing SunRail," he said.

Such warnings have led Atwater and Crist to say they would support a special session where legislators would provide operating money for the financially strapped Tri-Rail and endorse a liability arrangement for SunRail.

Those votes, they believe, could keep Florida in the running in the highly competitive high-speed race. Florida alone wants \$2.5 billion from an account that only holds \$8 billion.

In all, federal authorities are sifting through 45 requests from 24 states seeking a total of \$50 billion. An additional 214 applications from 34 states are asking for \$7 billion for planning and smaller projects.

Dyer has been working with the AFL-CIO, too. The union has been against SunRail but appears to be softening its stand. AFL-CIO spokesman Rich Templin said his organization could support SunRail if a request for \$270 million in stimulus money is granted by the federal government and the union protections that often go along with such allocations are included.

A union endorsement, Dyers and others think, could bring with it many of the 11 Democratic votes that went against SunRail last spring. The final tally was 16 for and 23 against (one senator missed the ballot).

One senator who continues to fight SunRail is Paula Dockery, the Republican from Lakeland who also is running for governor. Dockery could not be reached, but she told the Ledger in Lakeland last week that "there has been no change in the very bad terms that the Florida Department of Transportation and CSX agreed upon many years ago in a backroom deal."

But CSX has indicated it is willing to give on the liability deal and model it after one the company recently signed in Massachusetts, which also bought tracks for a commuter train. That arrangement, which includes CSX helping to pay for insurance and shifts additional liability onto the rail company and away from the state, could act as a template not just for SunRail but for any future commuter projects in Florida, said Sen. Andy Gardiner, R-Orlando.

"To me," Gardiner said, "this is about rail in Florida. We're either in or out. I think most people would rather be in."

Total October traffic down but intermodal posts gains

November 13, 2009

The Association of American Railroads reported that freight rail carloadings were down 15.3% in October compared with the same month last year. But "while U.S. rail intermodal traffic remained down 11.2% in October compared with the same month last year, there continued to be incremental month-to-month gains--up 4% from September 2009," said the AAR.

The association said coal traffic was down by 92,764 carloads, a factor in October's drop that "likely was the result of a cooler-than-normal summer that has led to larger-than-normal utility coal stockpiles." However, grain was up 1% as a weaker U.S. dollar lifted grain exports. (The U.S. Department of Agriculture reported that grain deliveries by rail to ports surged in October.)

"October's intermodal numbers, along with the recently-announced increase in GDP for the third quarter, indicate that we are seeing some hope for improvement in the nation's economic situation," said AAR Senior Vice President of Policy and Economics John Gray. "While it is still too early to say we are on the road to recovery, railroads continue to take freight cars out of storage with over 11,000 cars back in service in October."