

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



NEWS CLIPS

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Class I railroads post 12-month ROI of 8.42%



November 30, 2009

Their success in sizing operations to demand helped Class I railroads maintain a relatively high return on investment (ROI) during the 12 months ended Sept. 30.

During a period that contained many of the worst months of the recession, the industry earned an average return of 8.42% on its net investment, compared with 9.88% in the 12 months ended Sept. 30, 2008, according to the Surface Transportation Board.

BNSF Railway earned an ROI of 9.27% during the latest 12-month period vs. 10.66% a year earlier. Union Pacific's respective returns were 7.88% and 9.62%.

In the East, Norfolk Southern experienced one of the biggest swings in ROI, dropping to 9.48% from 14.42%. CSX Transportation posted a return of 8.15% this year vs. 8.55% in the same period last year.

Kansas City Southern earned an ROI of 0.38% this year, down from 8.70%. Soo Line's return declined to 9.79% from 15.84%. CN/GrandTrunk's ROI dropped to 6.05% from 10.97%.

Industry-wide, total railway operating revenues in the 12 months ended Sept. 30, 2009, dropped sharply to \$49.9 billion from the \$58.4 billion reported a year earlier. Net railway operating income, on which ROI is based, dropped to \$5.7 billion from \$7.2 billion.

11/30/2009 Labor

Canadian locomotive engineers launch strike at CN

On Saturday, [Teamsters Canada Rail Conference \(TCRC\)](#)-represented locomotive engineers walked off the job at [CN](#). Members of the union, which represents 1,700 CN engineers, have worked without an agreement since Dec. 31, 2008, and the parties have tried to negotiate a contract the past 14 months.

On Friday, CN announced that contract talks had broken off and the Class I anticipated a strike. TCRC had issued a 72-hour strike notice earlier in the week.

For CN, the major obstacle to a negotiated settlement pertains to wages. The union's offer wouldn't end the strike; instead, it would continue negotiations for an undefined time period "over the same work rule issues we have been discussing for 14 months," CN officials said in a prepared statement.

"Frankly, we do not see how further discussions on these same points will change the parties' positions," they said. "However, if the TCRC would enter into a binding arbitration agreement with us today that simultaneously ends the strike, we would be pleased to draft an offer for resolution."

CN “repeatedly offered” to submit contract disputes to binding arbitration to avoid a labor disruption, but the union refused, CN officials said. On Nov. 23, the Class I had notified the union of its intention to implement one work rule change to collective agreements and increase wages by 1.5 percent, effective Nov. 28.

On Saturday, the union offered to submit the wage portion of the contract dispute to final and binding arbitration “upon successful resolution of other outstanding issues,” but the Class I turned the offer down and indicated final and binding arbitration was the only solution, said TCRC President Daniel Shewchuk in a statement.

“We do not feel our position on wages is excessive as they are in line with what CN has negotiated with other unions,” he said. “We are extremely disappointed that CN’s focus is to have all issues handled through final and binding arbitration without having to negotiate.”

Federal officials might intervene in the dispute and force engineers to return to work if the two sides don’t resolve their differences by the end of today.

During the strike, CN will implement its labor contingency plan, which calls for “qualified management personnel” to work as locomotive engineers. The railroad also will work to ensure passenger-rail operations aren’t impacted by the strike.

Engineers will remain on the job in the following territories because of separate collective agreements: northern Alberta; parts of northern and eastern Ontario; northern Quebec; and portions of eastern Quebec and New Brunswick, CN said.

Unions Push To Regain Lost Ground in Contract Talks at Airlines

JOSHUA DEVRIES

| NOVEMBER 30, 2009

In contract talks for cabin crews at major airlines, unions are pushing to regain lost ground. After multiple rounds of concessions and bankruptcies following 9/11, airline workers are working longer and harder for lower wages and benefits. Photo: Jim West | www.jimwestphoto.com.

In contract talks for cabin crews at major airlines, unions are pushing to regain lost ground. After multiple rounds of concessions and bankruptcies following 9/11, airline workers are working longer and harder for lower wages and benefits.

Pensions have been decimated, leading to fewer retirements. Slashed turnover means low-seniority workers stay on the bottom for many years.

“I’m working 25 percent more hours, I’m away from my family even more days, and I’m still not making what I did in 1998,” said Kim Kaswinkel, a Philadelphia flight attendant.

Airlines haven't quite stabilized but unions are beginning to show signs of life after almost a decade of giveaways.

SOUTHWEST: IMPROVEMENTS

Several unions at Southwest have finished contracts this year. Thom McDaniel, president of Transport Workers Local 556 representing flight attendants, says the five-year contract ratified in May includes annual 3 percent raises for three years. Subsequent raises will be based on profitability.

The TWU also improved health care for retirees, increased company 401(k) contributions, won greater flexibility for commuting and attendance, and even won \$1,200 for new hires in training—remarkable in an industry where trainees generally must spend four to six weeks unpaid.

Most airline employees are not in as good shape. Other airlines have consistently lost money for years. Management and government officials blame the unions—though Southwest is profitable while workers there make more than their colleagues.

Workers at US Airways have been through two bankruptcies since 9/11 during which a bankruptcy judge rammed through concessions. The company merged with America West. Both flight crews were represented by the Pilots (ALPA) and both cabin crews by the Flight Attendants (AFA-CWA), but the pilot groups had such a conflict over merging seniority lists that the US Air group forced a representation election that displaced ALPA for a new independent union.

Mike Flores, AFA president at US Airways, said, “We expect better work rules, hours of service, and better RIGS,” minimum daily pay. “Are we going to get our retirement back? No. That’s just corporate America.” But the union has won back pay and credit for “deadheads,” non-working flight legs.

Kaswinkel is concerned that the union isn't doing enough to build the power to win. The union isn't doing the crew room blitzes, emailing, leafleting, and uniform pin and bag-tag visibility campaigns it should be, she said.

“We need to tell our members, ‘this is what we need from you to get what you want,’” she said.

DELTA UNIONS TIE UP

As Delta works to complete its merger with Northwest, the Northwest unions are working overtime to bring non-union Delta workers into the fold. Minneapolis baggage handler and Machinists (IAM) member Kip Hedges says, “The passenger service workers have been making progress and the Northwest baggage handlers are rock solid. We can turn airline jobs back into career jobs.”

Atlanta-based Linda Sorenson has been working to bring a union to Delta for more than a decade. She tells Labor Notes, “We have Northwest employees in the lounges talking to Delta flight attendants so they can hear what it's like to work with a union, and we're on a roll in Atlanta.” The base there is home to half of Delta's flight attendants.

Hedges says the AFA and IAM have never collaborated as closely as they are now, pointing to combined buttons and T-shirts and joint activities.

Both unions will hold off on filing for elections until the National Mediation Board moves to make airline elections more like those in other industries. Under the current system, abstentions are counted as votes against a union. The AFA hopes the new rule will be in place by March.

Although American Airlines didn't go through bankruptcy, the threat wrung concessions from the workforce. To regain ground, the Professional Flight Attendants (APFA), which represents just American employees, scheduled a November 18 "simulated strike" to commemorate the 16th anniversary of the union's last strike. The union designated some flights where attendants wore "Got Guts" pins—signifying the flight would not be happening if the strike were real.

"Our goal is to reach an agreement before self-help, but if push comes to shove we will take that step," said APFA President Laura Glading. The soonest APFA could strike is early next year.

Cabin crews at United, represented by AFA, took enormous concessions after 9/11 and are negotiating to reverse those losses. They are holding "Strike Preparedness Power & Action" seminars at 14 bases in the U.S. and abroad under the slogan "Whatever It Takes."

A coalition of flight attendants at United AFA is demanding more transparency and democracy in their union. They released a statement expressing pessimism about the outcome of talks: "AFA's opening proposal was just to get us back to where we were pre-bankruptcy and the opening proposal from United Airlines was wholly concessionary. The only way to change that dynamic is to have a trusting relationship between the leadership and the rank and file."

12/1/2009 Traffic

U.S. roads reach highest weekly carload total in '09, AAR says

During the week ending Nov. 21, U.S. railroads originated 287,087 carloads — the highest weekly level so far this year, according to the [Association of American Railroads \(AAR\)](#).

Carloads, which fell 6.8 percent compared with volume from the same week last year, declined 8.8 percent in the West and 3.8 percent in the East. U.S. roads also originated 213,382 containers and trailers, down 3.1 percent year over year.

Canadian railroads reported weekly volume of 72,120 carloads, down 4.5 percent, and 43,085 intermodal loads, down 7.3 percent compared with volumes from the same week last year. Mexican railroads' weekly carloadings rose 1.3 percent to 11,992 units and intermodal volume increased 9.7 percent to 6,410 units.

12/1/2009 Top Management

Brown to succeed Ingram as CSXT's COO

[CSX Transportation](#) recently named David Brown executive vice president and chief operating officer to succeed Tony Ingram, who plans to retire at month's end.

A 40-year railroading veteran, Ingram helped implement the ONE Plan operating blueprint at the Class I the past few years and "brought us closer to being a scheduled railroad," said CSXT spokesman Gary Sease.

A nearly 30-year railroading veteran, Brown most recently was CSXT's VP and chief transportation officer. He previously served Norfolk Southern Corp. for 25 years, holding such positions as VP of strategic planning and general manager-northern region.

CSXT also named Cindy Sanborn VP and CTO to succeed Brown. She most recently was VP-northern region.

Florida special session on rail set for Thursday



Tuesday, December 01, 2009

Florida Senate President Jeff Atwater and House Speaker Larry Cretul called a special lawmaking session to begin Thursday to dedicate funds for Tri-Rail and advance plans for Central Florida's SunRail.

The proposal, which is still being drafted, calls for \$15 million annually for South Florida's Tri-Rail system, would establish the Florida Rail Enterprise to oversee all passenger rail, pay CSXT \$1 billion for tracks to build the 61-mile Orlando area SunRail system and spare taxpayers from lawsuits should a freight accident occur on tracks shared with passenger trains. Legislators hope that in passing the proposal it will show the state's commitment to commuter rail and improve its chances of securing stimulus funds.

Currently, the Senate has 20 votes, one shy of the total needed for the yet to be completed legislation to pass. The sticking point in the proposal is that it currently has no legal protections for railroad employees who would work on the SunRail commuter line once the state bought the tracks from CSXT.

A final vote on the legislation will not occur until next week, when legislators planned to be in Tallahassee for a week of committee hearings.

12/2/2009 Labor

TCRC strike update: CN makes pitch to end walkout, union claims Class I has rejected several offers

In an effort to break a negotiations impasse with the [Teamsters Canada Rail Conference \(TCRC\)](#) and end the locomotive engineer strike, [CN](#) yesterday agreed to binding arbitration on wage and benefit issues.

The Class I also agreed to “roll back” engineers’ 4,300-mile monthly cap to 3,800 miles if the union withdraws its work-rule demands from the bargaining table.

“Contrary to the TCRC’s claim this morning, CN has not seen substantive movement by the union to end the locomotive engineers’ strike that started Nov. 28,” CN officials said in a prepared statement. “Unfortunately, the union persists in raising the same issues the parties have negotiated for 14 months.”

TCRC previously offered to submit the wage portion of the dispute to final and binding arbitration upon successful resolution of other outstanding issues. If the union agrees to CN’s offer, the Class I would draft an agreement to resolve the labor dispute.

TCRC officials claim the change in the amount of miles required to be worked by engineers each month was arbitrarily increased from 3,800 to 4,300, which would have resulted in the loss of about 220 engineer positions. The union, which represents 1,700 CN engineers, has made several offers to resolve the dispute, but the Class I has rejected them, TCRC officials said in a statement. The union members’ previous contract with CN expired on Dec. 31, 2008.

“If CN had accepted our initial offer, the issues could have been resolved by now,” said TCRC President said Daniel Shewchuk. “Instead, we are still at an impasse.”

Meanwhile, the Canadian government on Monday introduced legislation aimed at ending the strike.

News Alert

08:32 AM EDT Wednesday, December 2, 2009

Private sector shed 169,000 jobs in November: report

U.S. private employers shed 169,000 jobs in November, fewer than the 195,000 jobs lost in October, a report by a private employment service said on Wednesday.



Railroads achieve solid new gains in safety

December 3, 2009

The Federal Railroad Administration has released new numbers from 734 large and small railroads showing continued across-the-board improvement in rail safety in the United States.

In the nine months ended Sept. 30, total accidents/incidents were down 18.1% to 7,938 compared with the same period last year. Total fatalities—mostly caused by grade crossing collisions and trespassing—dropped 12.7% to 543. Non-fatal accidents/incidents dropped 18.0% to 5,539.

Train accidents caused three fatalities compared with 35 in the 2008 period, an 88.0% drop. There were 81 non-fatal train accidents compared with 303, a 73.3% drop. Accidents attributed to track, human factors, equipment, and signal causes fell 26.3%, 31.6%, 28.8%, and 7.9%, respectively. There were 13 employee fatalities compared with 20 last year, a 35% drop.

Accident/incident rates—which take into account exposure to risk, usually expressed in train-miles—also dropped. The train accident rate declined 15.2%, and the yard accident rate was down 12.7%.

These nine-month numbers, by category, were posted by the FRA on Nov. 30:

- Train accidents—5,539, down 18.0%.
- Collisions—104, down 27.8%.
- Derailments—979, down 29.0%.
- Yard accidents—736, down 30.4%.
- Crossing fatalities—181, down 18.8%.
- Trespassing fatalities—339, down 5.0%.

12/3/2009 Labor

CN, TCRC reach strike-ending agreement

The locomotive engineers' strike is over for [CN](#). Late yesterday, the Class I announced it reached an agreement with the [Teamsters Canada Rail Conference \(TCRC\)](#) that, for the moment, resolves the parties' contractual disagreements.

The Class I and union — which represents 1,700 CN engineers — agreed to continue negotiations to resolve all issues related to wages, benefits and work rules. If no agreement is reached, the parties' wage and benefits offers will be subject to final binding arbitration.

CN and TCRC also agreed to submit work-rule issues to binding arbitration, but only if they mutually agree on ones that should be subject to arbitration. In addition, CN will roll back the monthly mileage cap for locomotive engineers to the previous 3,800 miles from the 4,300-mile cap initiated on Nov. 28, when TCRC launched its strike.

The mileage cap increase was the “most contentious issue,” said TCRC President Daniel Shewchuk in a prepared statement.

“Despite the threat of impending back-to-work legislation, it was made clear that any increase to the mileage cap would not result in an agreement” he said.

CN also will withdraw its plan to apply a 1.5 percent wage increase to TCRC members. The union's current contract expired on Dec. 31, 2008.

The agreed-upon process “gives the parties flexibility to negotiate issues further, but also ensures finality through binding arbitration of issues that remain in dispute,” said CN President and Chief Executive Officer E. Hunter Harrison — who plans to retire at month's end — in a statement.

Nine rail freight groups show volume increases



December 4, 2009

Traffic increased in nine of the 19 carload freight commodity groups in the week ended Nov. 28, although total carload volume was down 3.9% compared with the same week last year. Both weeks included the Thanksgiving holiday.

The Association of American Railroads reported Thursday that increases were seen in nonmetallic minerals (38.1%), grain (21.3%), farm products not including grain (20.1%), motor vehicles and equipment (15%), chemicals (13.2%), grain mill products (11.5%), metals and products (11.2%), metallic ores (3.1%), and petroleum products (2.2%).

Declines in commodity groups ranged from 0.9% for crushed stone, sand, and gravel to 28.3% for coke.

Intermodal traffic added up to 165,856 trailers and containers, down 6.4% from last year and down 32.1% from 2007.

Total volume on U.S. railroads for the week ending Nov. 28, 2009 was estimated at 27.6 billion ton-miles, down 3.8% compared with the same week last year.

Canadian railroads reported 69,216 carloads for the week, down 3.8% from last year, and 42,123 intermodal units, down 7.5%. Mexican railroads originated 12,760 carloads, down 1.7% from the same week last year, and 7,602 trailers and containers, up 24.1%.

Combined North American rail volume for the first 47 weeks of 2009 on 13 reporting U.S., Canadian, and Mexican railroads totaled 16,056,494 carloads, down 17.4% from last year, and 11,160,176

trailers and containers, down 15.4%.

Breaking News Alert
The New York Times
Fri, December 04, 2009 -- 8:36 AM ET

U.S. Jobless Rate Falls to 10% as Economy Shed 11,000 Jobs in November

The United States economy shed 11,000 jobs in November, and the unemployment rate fell to 10 percent, down from 10.2 percent in October, the Labor Department said Friday.