

The Second Division consisted of the regular members and in addition Referee Robert G. Williams when award was rendered.

Parties to Dispute: ( System Federation No. 6, Railway Employees'  
( Department, A. F. of L. - C I. O.  
( (Carmen)  
( Chicago, Rock Island and Pacific Railroad Company

Dispute: Claim of Employes:

1. That under the current Agreement, Carrier improperly assigned other than Carmen (Interstate Metal Corporation) to dismantle thirty-seven (37) railroad cars at this El Reno, Oklahoma Train Yard.
2. That the Carrier reclaimed usable parts, A. B. brake valves, air brake cylinders, angle cocks, air hoses, journal bearings, draft gears, yokes, cross keys, couplers, roller bearing wheels, friction bearing wheels, hand brakes, hand brake wheels, side and end ladders, sill steps, etc.
3. That accordingly, Carrier be ordered to make the Carmen whole by additionally compensating the following Carmen E. H. Warren, C. M. Gibbens, B. K. Nuzum, R C. Nuzum, W. L. Sellers, R. S. Hodd, K. W. Hale, C. M. Tate, F. P. Bechtol, four-8 hour days each at pro rata rate and Carman B. G. Hendon one-8 hour day at pro rata rate.

Findings:

The Second Division of the Adjustment Board, upon the whole record and all the evidence, finds that:

The carrier or carriers and the employe or employes involved in this dispute are respectively carrier and employe within the meaning of the Railway Labor Act as approved June 21, 1934.

This Division of the Adjustment Board has jurisdiction over the dispute involved herein.

Parties to said dispute waived right of appearance at hearing thereon.

The Carrier in this case entered into an agreement in 1974 with an outside firm for the purpose of scrapping and retiring freight cars. The agreement provided in part:

"The monthly price to apply will be based on highest quotation received by the Purchasing Department in their offering of condemned freight cars times 37.6%."

Certain usable parts were to be returned to the Carrier. The Carrier also agreed to a lease to permit the outside firm to enter upon the Carrier's property to perform its work.

Numerous awards have held that a Carrier is free to sell its property and such a sale would not violate Classification of Work Rules. An examination of the actual sales order to the outside firm shows the Carrier was compensating the firm for the work it performed by allowing a 37.6% mark-up on the floating price of scrap. The Carrier also retained rights to reusable parts from the cars. The primary purpose of such an agreement was not a sale, but the contracting out of work. Such work was covered by the classification of work rule. See Second Division Awards 6529 and 6800.

A W A R D

Claim sustained.

NATIONAL RAILROAD ADJUSTMENT BOARD  
By Order of Second Division

Attest: Executive Secretary  
National Railroad Adjustment Board

By   
Rosemarie Brasch - Administrative Assistant

Dated at Chicago, Illinois, this 15th day of August, 1978.