

**Award No. 1182**

**Docket No. 1107**

**2-FEC-FT-'47**

**NATIONAL RAILROAD ADJUSTMENT BOARD**

**SECOND DIVISION**

The Second Division consisted of the regular members and in addition Referee George A. Cook when award was rendered.

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**PARTIES TO DISPUTE:**

**SYSTEM FEDERATION NO. 69, RAILWAY EMPLOYES'  
DEPARTMENT, A. F. of L. (FEDERATED TRADES)**

**FLORIDA EAST COAST RAILWAY COMPANY**

**DISPUTE: CLAIM OF EMPLOYES:** That effective May 22, 1946, the rates of pay of the employees subject to the current agreement, effective November 19, 1935, should have been increased three (3) cents per hour in lieu of only two and one-half ( $2\frac{1}{2}$ ) cents per hour, and that accordingly the carrier be ordered to adjust said rates of pay by adding thereto one-half ( $\frac{1}{2}$ ) cent per hour retroactive to May 22, 1946.

**EMPLOYEES' STATEMENT OF FACTS:** The carrier joined with the other carriers in the Southeastern Territory for the purpose to maintain rates of pay generally equal thereto. Accordingly, the carrier increased the wages of all employees by  $2\frac{1}{2}$  cents per hour, effective May 22, 1946.

In fixing rates of pay on this higher basis, the employees, by virtue thereof, claimed that they were entitled on the aforesaid date to an additional increase of  $\frac{1}{2}$  cent per hour, and that the carrier has declined to make said adjustment. This is confirmed by the copies of letters submitted and identified as Exhibits 1 and 2, respectively, dated September 6 and 9, 1946.

The agreement, effective November 19, 1935, with revisions and supplements effective as shown reprinted January, 1946, is controlling.

**POSITION OF EMPLOYES:** The employees submit that by virtue of the provisions of Rule 46, in part reading:

"In fixing the rates of pay, when increases . . . are made . . . amounts one-half ( $\frac{1}{2}$ ) cent and over, will accrue to the benefit of the employees."

the carrier should have added to the rates of pay of all the employees the  $2\frac{1}{2}$  cents per hour plus  $\frac{1}{2}$  cent per hour, as required by the rule, or a total of 3 cents per hour, effective May 22, 1946.

The carrier's refusal to adjust this dispute is inconsistent with the spirit and letter of the rule, and in light of the fact too that the rule operates in favor of the carrier as well as the employees. Obviously, in the instant case,

The same method of computing amounts due, with fractional rates for base rate and overtime, is now being used.

**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.

The parties to said dispute were given due notice of hearing thereon.

Rule 46 is clear in that it provides that in fixing rates of pay when increases are made the rate will end in whole cents, and when an increase involves a fraction of one cent, such as  $\frac{1}{2}$  cent or over, it will accrue to the benefit of the employes. Thus a  $2\frac{1}{2}$  cent increase to an employe with a rate of 50 cents, for example, would fix the new rate of pay at 53 cents.

#### AWARD

Claim of the employes sustained.

NATIONAL RAILROAD ADJUSTMENT BOARD  
By Order of Second Division

ATTEST: J. L. Mindling  
Secretary

Dated at Chicago, Illinois, this 13th day of May, 1947.