

- Issues:
- : (1) What factors shall be used to determine the percentages of work equity due employees of the former B&O RR and the Former C&O RR in the proposed road operation coordination between Parkersburg, West Virginia, and Russell, Kentucky?
 - (2) Upon determining the percentages of work equity which, if any, of the proposed Carrier implementing agreements, shall govern the working conditions of the employees who will protect the coordinated service?
 - (3) If either of the proposed implementing agreements are deemed not adequate or reasonable, then what shall be the prescribed working conditions?

Background: The precipitating factor in this dispute was the Carrier's January 7, 1988 Notice to the requisite General Chairmen of the Brotherhood of Locomotive Engineers and the United Transportation Union of the former B&O and C&O, advising them of the Carrier's intention to coordinate certain road operations between Parkersburg, West Virginia and Russell, Kentucky, via Huntington, West Virginia, on or after April 6, 1988.

The core dispute devolved upon the factors to be utilized to determine the percentage of work equity that should be allocated to the two respective groups of employees.

The antecedents of this proposed coordination help understand the current dispute.

The CSX Company is a Carrier that includes a number of railroad properties, including the former B&O RR and the C&O RR Pursuant to an ICC Notice of Exemption, the B&O was merged into the C&O

on April 30, 1987 and on August 30, 1987, the C&O was merged into the CSX, also on the basis of an ICC Notice of Exemption. The ICC imposed New York Dock Conditions for the protection of those employees who might be adversely affected by these transactions.

Notwithstanding these mergers, the B&O and C&O labor agreements which were in effect between the employees represented by the UTU continued in effect, and the same jurisdictional boundaries remained in effect as prior to the mergers. The UTU General Committees involved in this particular dispute are the B&O UTU C&T Committee, and the UTU Enginemen Committee, and the C&O Train and Engine service Committee.

Prior to the proposed coordination, Trains 316/317 operated on B&O territory with B&O crews to and from Parkersburg and Huntington, a distance of approximately 120 miles. At Huntington, a C&O crew took over the run to Russell, this being C&O territory, a distance of approximately 20 miles. Under the Carrier's proposed coordination, Trains 316/317 would operate on a coordinated basis between Parkersburg and Russell without any crew change at Huntington.

The proposed coordination applies only to trains 316/317 between Parkersburg and Russell, which terminates at these two locations. Under the proposed coordination the C&O crews will now be entitled to work the 120 miles between Huntington and Parkersburg while the B&O crews will be entitled to work the 20 miles between Huntington and Russell.

At present there are two regularly assigned crews from the B&O

Monongah Seniority Division who man Trains 316/317 between Parkersburg and Huntington, seven days a week in each direction, on alternate days, and are paid 120 miles for each service trip. In addition the two regularly assigned crews do all the industry work between Parkersburg and Huntington. The B&O General Chairman states the average running time for these crews is 11 hours.

Also at present Trains 316/317 moving from Russell to Huntington to Russell are moved by a C&O Huntington Division Pool crew, working in short turnaround service, on an extra assignment commonly referred to as the "Huntington Turn." The Huntington Division Pool protects all extra and unassigned trains working out of Russell.

After both the BLE General Committees reached an Agreement with the Carrier wherein the BLE work equities were allocated on the basis of the B&O 85% and C&O 15%. These percentages were determined by the BLE on the basis of the total mileage in the coordinated assignment. However, at the Arbitration Hearing on August 3, 1988, General Chairman Bujdoso stated that the BLE Agreement had not yet been ratified, and it was his understanding that the BLE General Committee was going to withhold any formal action until this Arbitration Committee has ruled on this dispute. At the Arbitration Hearing General Chairman Early introduced a letter dated July 20, 1988 (B&O Ex, J) from the BLE General Chairman which stated that the percentages stated in Article II of the proposed Memorandum of Agreement were not being contested by his Committee (B&O RR Proper) or by the C&O (P) Committee. The Letter further stated the proposed Agreement had been sent out to the membership for ratification

and indications were that it would receive a favorable vote.

The UTU B&O and C&O Committees met several times in February and once in March 1988 but could not reach agreement, among themselves and with the Carrier.

The C&O General Chairman maintained that the dispute should be settled through the internal machinery of the UTU. Chairman Bujdoso contended that Article 90 of the UTU Constitution was the instrument designed to handle this sort of dispute, but Chairman Early maintained that Article 90 was not the vehicle to settle this dispute because the proposed coordination was made pursuant to Article 1, Section 4, of the New York Dock Conditions, in that any assignment of employees made necessary by the transaction had to be done on the basis of a Section 4 agreement. If no agreement was reached, Section 4 mandates the parties submit the dispute to arbitration.

On April 14, 1988 UTU International President Hardin assigned Vice President Wigent to meet with the parties in an effort to settle the dispute.

Vice President Wigent met with the involved general Chairmen. The Carrier agreed to delay the implementation of the coordination while Vice President Wigent sought to settle the controversy. However, Vice President Wigent's efforts were not successful and the matter culminated in the National Mediation Board's decision to grant the request of the General Chairmen to appoint a neutral to head an arbitration committee, under Section 4 of Article 1 of the New York Conditions. On May 10, 1988, the NMB named the Undersigned to sit

with the Arbitration Board to settle the dispute.

Contemporaneously with meeting with the UTU representatives the Carrier sought to expedite the settlement of the dispute by proposing on February 24, 1988, an implementing agreement that left blank any provision dealing with the percentages of equity, but stated that eastbound coordinated pool crews would not be required to pick up cars between Russell and Huntington that were not destined east of Huntington, and that westbound crews would not be required to make any pickups between Huntington and Russell. The Carrier gave the General Chairmen up to March 18, 1988 to reach an agreement and if its proposal was not accepted by that date, it would be withdrawn. On May 6, 1988 the Carrier wrote the Representatives of the Organizations that it had withdrawn its original draft agreement and another agreement less favorable to the employees would be submitted. This substitute draft agreement was attached to the Carrier's submission (Ex. "0").

Agreements relevant to this dispute are the following:

Article 1, Section 4 of the New York Dock Conditions states in part:

"4(A) Each railroad contemplating a change or changes in operations ... as a result of a transaction which may cause the dismissal or displacement of any employees or rearrangement of forces shall give at least ninety (90) days written notice of such intended transaction ...

Each transaction which may result in a dismissal or displacement or rearrangement of forces, shall provide for the selection of forces from all employees involved on a basis accepted as appropriate for application in the particular case and any assignment of employees made necessary by the transaction shall be made on the basis of an agreement or decision under this Section 4. If at the end of thirty (30) days

"there is a failure to agree, either party to the dispute may submit it for adjustment in accordance with the following procedures"

Article 90 of the UTU COstitution states in part:

"Mergers, Leases, Coordinations, etc.

... When through ... consolidations ... a line of a carrier or portion there is taken over by another carrier ... or for other reasons traffic is permanently diverted ... from one road ... seniority district to another on the same carrier which affects the seniority rights of employees ... General Committees of Adjustment shall arrange for an equitable division of the work. ...

General Committees shall give consideration to all factors involved, including but not limited to hours worked, cars and tonnage handled where applicable, and mileage of operations on each seniority district or territory involved prior to the change in operation ...

Disputes arising under this Article that cannot be resolved by the General Committee or General Committees shall be referred to the International President. ..."

The respective positions of the parties in interest are:

B&O General Committee

The B&O Committee asserts that the machinery of the New York Dock Conditions is the appropriate vehicle to settle this dispute rather than the internal constitutional procedures of the UTU. It maintained that the UTU organic law cannot usurp ICC imposed conditions. It added that Section 4 of New York Dock deals specifically with assignment of employees caused by Carrier instituted changes, and it culminates in arbitration where the parties cannot reach agreement. The Committee added there is no reference in New York Dock to Article 90 of the UTU Constitution, when there is no agreement between the disputants on the subject matter. The only recourse is to arbitration as prescribed by Section 4 of Article 4 of Article I of New York Dock.

The Committee further notes a ruling by Vice President Wigent could be overturned by the UTU Appeals Committee. There is also the possibility of litigation in a matter of this kind which precludes finality in the near future. On the other hand, an arbitration award under Section 4 would be final and provides for protection for employees adversely affected by the coordination.

With respect to the factors that should be considered in determining the work equity between the employees represented by this Committee and the C&O Committee, the B&O Committee contends a pure mileage equity division is a fair and equitable division for the selection of the forces affected by the proposed coordination. It stresses that the new assignment will cover 140 miles. The B&O Monogah District contributes 120 miles and the C&O Huntington District 20 miles. This represents 85% by the B&O and 15% by the C&O. The B&O Committee stresses that this coordination affects only Trains 316/317. It does not affect all the other assignments working within the Parkersburg/Russell territory. It emphasizes that the entire territory is not being coordinated.

The Committee states that on the new proposed run, the employees represented by the B&O contribute 120 miles while the C&O employees contribute 20 miles. The B&O crews operating between Parkersburg-Huntington are paid 120 miles for each service trip while C&O crews operate - Russell-Huntington-Russel on a turnaround basis for which they are paid 100 miles at the end of their tour of duty. The Committee asserts the C&O crews can and do make several turn around trips out of their home terminal of Russell, not in connection with Trains 316/317.

The B&O Committee states the C&O Committee is in error when the latter seeks to include the factors of total miles paid for based on total dispatchments, and maximum cars handled by B&O and C&O crews in 1987 because the C&O alleges that when a Huntington Turn crew is called for the 20 miles run it is paid a basic day's pay and there is no proper recognition for the crew earnings. The C&O contends that when these two factors are used the equity should be 55% - B&O and 45% for C&O. The B&O states the flaw in the C&O reasoning is that the only daily assignments that the Huntington Turn is called upon to serve are to move Trains 316/317. It alludes to its Exhibit "E" which indicates that for the period from February 1 - May 11, 1988 no other Huntington Turn assignments were called on a daily basis if they did not move Trains 316/317. The B&O Committee believes that it would be proper to use all the factors cited if the transaction involved the entire territory.

The B&O alludes to a UTU Board of Appeals Decision 93 File 8-8-83 wherein that Board rules that the miles-paid-for formula does not provide for a full recovery of work equity where service is shared by separate districts. The Appeals Board held that the division of work should be allocated on a percentage of miles contained in each district.

The B&O Committee stresses that Trains 316/317 are moved between Russell and Huntington by an extra assignment - the Huntington Turn. The Huntington Division pool protects all extra and unassigned Trains working out of Russell. Daily at least two Huntington division pool crews are called to work the Huntington Turn assign-

ments. This "Turn" advances all freight between Russell-Huntington-Russell including doing all industrial work in the area. It adds the handling of Trains 316/317 generally compromises only a small part of one of the two assignments. For this reason miles paid is not an appropriate component to use in determining the equity percentage.

The B&O Committee states the C&O Committee is also in error when it cites examples where the B&O Committees have accepted the miles paid concept in prior consolidations or coordinations. In those cited examples, the coordination involved an entire territory and service was performed throughout the entire territory as if it was the original seniority district of the affected employees. However, in the instant dispute only one train is involved (316/317) which traverses between Parkersburg/Russell via Huntington. The entire territory is not involved and the C&O Proper's Huntington Division pool will continue to protect all extra, unassigned and industrial in this territory after the implementation of the proposed coordination. This pool is unaffected by the coordination except for Trains 316/317.

The B&O Committee in its September 7, 1988 Supplemental Statement to the Arbitration Committee, analyzed the impact of considering all the factors of "Cars Handled," "Hours Worked," "Miles Run" and "Miles of territory," and stated that using these factors would not produce a fair and equitable determination of what group of employees contributed to the coordinated operation, but would exaggerate the contribution of the C&O crews.

The Committee stresses the only fair and equitable division of work is one that recognizes what the separate B&O and C&O groups contribute to the new assignment. In this case, all the factors are the same except for the miles of operation. It states that each seniority entity is entitled to contribute its proportion of trainmen and enginemen based on the percentage of the trackage each entity has contributed.

The B&O Committee also urges the Arbitration Committee to adopt the Carrier's February 24, 1988 proposal for an implementing agreement.

In summary the B&O Committee requests the Arbitration Committee to adopt its position that the division of work be allocated based on a percentage of the miles respective to each district, namely, the B&O receive 85% and the C&O get 15% equity of the work of the coordinated assignment.

C&O General Committee

The C&O Committee states that the appropriate machinery that should have been used to resolve this dispute is the internal machinery set forth in the UTU Constitution. This Constitution contains provisions to settle disputes between subordinate bodies of the International Union. The General Adjustment Committees of the C&O and the B&O are such subordinate bodies of the UTU, and Article 90 is designed to settle disputes arising out of coordinations between these subordinate bodies. The same Article lists all the factors that the General Committees should consider in resolving the dispute, with the dispute being ultimately decided by the Inter-

national President if the parties cannot do so. The C&O Committee stated the International President assigned Vice President Wigent to assist the General Committees in this matter. Vice President Wigent met several times with the involved General Chairman as well as the Carrier. The B&O General Chairman knew as late as April 14 that Vice President Wigent was empowered with authority to settle the dispute pertaining to the percentages of equity. Nevertheless, the B&O General Chairmen repudiated the International's authority and persistently sought to invoke arbitration. This action frustrated the negotiating process. The B&O General Chairmen are attempting to secure by arbitration what they could not secure either through the mediation, conciliation and recommendation processes of Article 90 of the UTU Constitution.

The C&O Committee states that although the B&O Committee repudiated the UTU's authority to resolve an inter-committee dispute, nevertheless that Committee relies, for precedential support, upon a decision of the UTU Board of Appeals to support its concept of determining the equity percentage for the selection of forces. The C&O Committee asserts the decision relied on by the B&O is not analogous to the instant dispute because that case involved an inter-divisional run with employees of the same railroad who held common seniority rights. The instant dispute, arises from a coordination pursuant to New York Dock Conditions between two formerly separate railroads with employees who do not hold common seniority rights. The C&O Committee stresses that the two Interdivisional National Agreements, the 1972 and the 1985 Agreements, under which the UTU

Board of Appeals acted, make no mention of selection of forces. In addition the C&O Committee notes that the period of protection under the 1985 National Interdivisional Agreement is considerably longer than the period of protection afforded under New York Dock.

The C&O states that to have the selection of forces based on the respective mileage of the operation of each party to a coordination is vastly different than "mileage of operations" referred to in Article 90 of the UTU Constitution.

The C&O further states that it has never heard of the B&O's theory advanced by the B&O in any agreement made pursuant to a coordination or consolidation made under the aegis of New York Dock, Oregon Short Line or Mendecino Conditions.

The C&O states that there have been a recent number of coordinations to which the B&O has been a party and these were the factors that were considered in the determination of the respective work equity:

- (1) B&O and former Western Maryland West of Cumberland, MD.
For train and engine service employees the factors were:
(1) total dispatchments multiplied by miles paid for mileage component assignments; (2) total hours paid for with respect to non-mileage component assignments.
- (2) B&O Coordination Baltimore-Cumberland and Cumberland-Hagerstown
For train and engine service the equities were determined by the factors of (1) total pool crew dispatchments and (2) maximum number of cars handled at any one time by such crews during their road trip.

- (3) B&O-L&N Coordination-Cincinnati-Louisville, Kentucky
Equities were calculated on the basis of crew mileage worked, plus third brakeman service in straight away service between DeCoursey and Carrollton.
- (4) The 1986 Three C B&O-C&O Coordination
Equities for crews in the coordinated territories were determined by two factors: (1) total miles paid for based on total dispatchments, including terminal to terminal deadhead; (2) maximum cars handled.

The C&O Committee states with respect to the above cited Coordinations, consideration was given to at least two factors, none of which was mileage of operations, and they all took into consideration in some manner the compensations allowed employees even though they may have been compensated 100 miles, 8 hours or more and actually worked 100 miles, 8 hours or less.

The C&O Committee stated that in the instant dispute it has advanced various alternatives for the selection of forces, none of which were inherently unfair to either group of employees.

It states all of its concepts used two factors; i.e., cars handled and miles paid for. Each of these factors had been used to develop the percentages of equity in prior coordinations in which the B&O had been involved, not only with the C&O but with other Carriers.

The C&O Committee asserts that in its negotiations both with the Carrier and the B&O Committee its proffered alternatives were compromises that were compatible with the UTU-organic law and were applicable to the instant dispute. These two factors were:

(1) total miles paid for based on total
dispatchments and;

(2) Maximum cars handled.

The C&O states these two factors should be compiled separately for the two carrier for 1987. The percentages represented by these factors should be totaled separately and then averaged to arrive at the final percentage of work equity.

The C&O states that these two mentioned factors had been used by the B&O in a previous coordination. It adds that while the B&O may contend that it has advanced several methods for determining the percentage of work, it in fact, has steadfastly advanced only one method, i.e. the number of miles each Carrier has in the territory encompassed in the proposed coordination. The C&O states this method completely ignores the compensation allowed employees for services performed prior to coordination, i.e., amount of traffic, man hours worked, miles paid for, etc.

The C&O states that if the B&O concept had been accepted, it would not have received any equity in the 1981 coordination between the C&O and SCL Richmond-Portsmouth freight operations, because none of the coordinated territory involved the C&O RR but only the C&O and SCL traffic over the SCL. Ultimately, the selection of forces was arrived at on a percentage basis using the "mileage paid for" which resulted in two C&O crews for each SCL crew- notwithstanding the fact that none of the territory coordinated was C&O territory. The percentage of equity in that situation was directly related to the amount of traffic, since traffic relates to crew and

miles paid for, rather than the number of railroads in the coordinated territory.

The C&O Committee states its factors of total cars handled would be a cumulative total of the maximum cars handled by C&O crews advancing Trains 316/317, Russell to Huntington and by B&O crews similarly advancing Trains 316/317 Parkersburg to Huntington. The total miles paid for would be the miles the C&O crews were compensated for advancing Trains 316/317 Huntington-Russell and B&O crews for advancing the same trains Huntington-Parkersburg.

The Committee states that these factors should be compiled separately for each Carrier, totaled and averaged to arrive at the percentage of work equity. The Committee adds the equity percentages should relate to any employee losses or gains in compensation. Each group should gain or lose compensation proportionately in relation to their total contribution of work to the coordination. The Committee states the cars handled and miles paid for equitably reflect the total contribution of each. The Committee urges that under its proposal each group shares in any gains or losses of cars handled (traffic) or miles paid for (compensation) in direct relation to their initial contribution.

With respect to the Carrier's February 24, 1988 draft of a proposed Implementing agreement, the C&O Committee urges it be adopted as amended by the C&O suggested percentages of equity.

Carrier's Position

The Carrier discussed the proposals advanced by both General

Committees with respect to the factors each Committee wanted used to determine the percentage of work equity that each group should have in the rearranged road operation. The Carrier expressed no preference for any of the formulas advanced by either the B&O or the C&O Committees. It notes the principal difference between the B&O and C&O proposals is that the B&O stressed miles run while the C&O stressed miles paid. It further noted that each Committee wanted to maximize the work equity its members would obtain by the formula adopted.

The Carrier stated that there were also other methods that could be used. One method would be to take the both methods that each Committee advanced, compute them separately, and then average the resultant percentages with the final percentages fixing the work equity for each group of employees.

The Carrier states that another method would be to combine all four factors, i.e, cars handled, hours worked, miles run and miles paid for, and arrive at a percentage ratio that each factor bears to the other, and then average these ratios to arrive at the final percentage of work equity. The Carrier asserts that such a method would give recognition to all the increments of work that each group contributes to the total operation, and in the circumstances of this case, would more closely address the equity issue.

The Carrier states that its second proposal for an Implementing Agreement should be adopted. This subsequent agreement provides for reasonable working conditions for those employees operating the coordinated run.

The Carrier asserts that it was willing to provide for operating restrictions that were favorable to the employees as an inducement to get quickly a voluntary implementing agreement. Its efforts were not successful.

The Carrier states the contractual restrictions imposed on it are artificial and hamper operations and delay traffic. The Carrier stresses that the decision to require road crews to pick up and set out cars between terminals of their assignment should be made the basis of shipper requirements and other operational needs. Important business should not be delayed because of restrictive agreements.

The Carrier urges the Arbitration Committee to accept its second proposed implementing agreement with percentages of equity included, because this proposed Agreement contains all the elements necessary for an implementing agreement under New York Dock Conditions as well as being fair and reasonable to all parties in interest.

Findings:

It is commonplace to state in disputes of this nature that the percentage of work equity to be allocated to each group or entity of employees in the coordinated operation, should directly reflect their contributions to the prior operations. However, in this present coordination dispute, the traditional or conventional methods normally used to arrive at the percentage of work equity seem inapposite in this case. This is because the present coordination does not involve or include all the road operations within

the requisite seniority districts. The coordination covers only one assignment, i.e., Trains 316/317. The other difference in this dispute is that the component runs of the coordinated assignment involve two different types of runs constituting Trains 316/317. One component is a straight away, or a terminal to terminal, road operation, i.e., Parkersburg to Huntington. The other component is a turn around run, i.e., Russell to Huntington, wherein the crew making this run, can and does perform other work during their tour because of the short distance traversed.

The Arbitration Committee therefore finds that using the four factors suggested by the Carrier or the two factors stressed by the C&O Committee, are not meaningful, in that there is only one assignment being coordinated on an inter-seniority district basis. The only factor that clearly delineates, in an objective and quantifiable manner, the contribution of each entity to coordinate assignment, is the miles run over the territory encompassed within the coordinated territory. The 120 miles that the B&O crew runs from Parkersburg to Huntington and the 20 miles that the C&O crew run from Russell to Huntington is the factor that measures objectively, the crews' contribution to a coordination that involves one assignment that traverses over the territory and seniority districts of two railroads. The other factors cited in this case might be useful were the coordination to be broader and more extensive. Under such circumstances, those several factors might be helpful in determining the respective contributions of the several crews to a vastly expanded coordinated operation.

The Arbitration Committee finds the factor of miles paid for is not an appropriate factor because the miles paid for to the Huntington Turn involves more than the involved 20 miles run. Since that crew would receive a basic day's pay, or 100 miles, there are elements of constructive, rather than actual, pay in their compensation for the Russell to Huntington run, since this crew does other work than the Russell to Huntington run. On the other hand, the B&O crew regularly runs 120 miles and no more. It is because the crew working the Huntington Turn receives compensation in a given day for work other than moving Trains 316/317, that the Arbitrator finds the factor of miles paid for to be an inappropriate factor to weight in determining the percentage of the work equity.

This Committee does not intend to hold that the various factors cited by the Carrier and the C&O may not be appropriate to use in other circumstances in determining work equity percentages. It only finds that under facts and circumstances of this particular case, the miles run factor is the significant and appropriate factor to use. While the miles run factor may not always be the dispositive factor to rely upon in other coordinations, the Arbitration Committee finds that it is in this proposed coordination for the reasons set forth above.

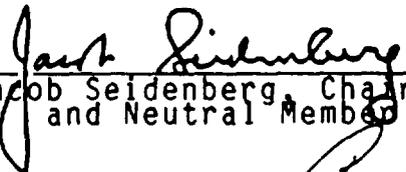
With respect to which proposed implementing agreement should be adopted, the Arbitration Committee finds that the initial, or the February 24, 1988 Agreement should be adopted, with the percentages determined by this award. The Carrier seeks to effect this coordination because it is convinced that it will derive benefits from

the resultant efficiencies and economies. The Committee believes it would be reasonable and equitable for the Carrier to share some of its derived benefits with the employees who contribute to achieving these benefits. Furthermore one of the objectives of coordinating this particular assignment, is to assure that Trains 316/317 get over the road with greater speed, and by eliminating some of the pick-up duties from the requisite crews, the Carrier is in a better position to reach this objective.

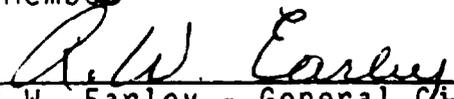
In summary, the Arbitration Committee concludes that the factor of miles run between Parkersburg and Russell should determine the percentage of the work equity between the B&O and C&O road crews, and it also concludes that the February 24, 1988 proposed Implementing Agreement should be the governing Agreement.

Answers to Questions Given Arbitration Committee:

- (1) The factor of miles run shall be used to determine the percentages of work equity due employees of former B&O RR and the former C&O RR in the proposed coordination between Parkersburg, West Virginia and Russell, Kentucky.
- (2) The percentage basis for the work equities in this coordinated pool service shall be:
C&O - 15%
B&O - 85%
- (3) The proposed Implementing Agreement of February 24, 1988 shall govern the working conditions of the employees protecting this coordinated service.


Jacob Seidenberg, Chairman
and Neutral Member

H.S. Emerick, Carrier Member


R.W. Earley - General Chairman
UTU - Representing Employees of
former B&O RR

Ronald Bujdoso - General Chairman
UTU-Representing Employees of former C&O RR.

October 5, 1988