

S.B.A. NO. 570
AWARD NO. 488
CASE NO. 572

SPECIAL BOARD OF ADJUSTMENT NO. 570

ESTABLISHED UNDER

AGREEMENT OF SEPTEMBER 25, 1964

Chicago, Illinois - JUNE 24, 1980

System Federation No. 1, Railway Employees'
Department - A. F. of L. - C. I. O.
Electrical Workers

PARTIES
TO
DISPUTE:

and

Consolidated Rail Corporation

STATEMENT
OF CLAIM:

- "1. That the Consolidated Rail Corporation (Conrail) violated the Controlling Agreement of System Federation 103, the Mediation Agreement of September 25, 1964, Article II, Section 1, 2, 3, and 4 when it improperly contracted out the work of the electrical craft, as outlined in Rule 140 of the Controlling Agreement, to an outside contractor at Mound Road Yard, Michigan.
- "2. That, accordingly, the Carrier be ordered to compensate Electricians J. Kochan, T. Hayman, D. Parish and D. Zellerino the amount of monies that they would have earned had they not been deprived of their contractual rights to perform the work granted to an outside contractor."

OPINION
AND
FINDINGS:

On March 27, 1978, Carrier informed the General Chairman that it intended to subcontract the construction of a 44' x 50' one-story concrete block yard office building at the Mound Road Yard in Warren, Michigan. The estimated cost of the project was \$80,000 -- \$23,000 for electrical work and \$20,000 for sheet metal work. Carrier contends that the subcontracting of this project was done in accordance with its

right to do so under the September 25, 1964 Agreement. Petitioner alleges otherwise and, by letter dated October 13, 1973, filed the instant claim.

Carrier contends that the claim was untimely filed and should be dismissed. This Board, in a long line of awards on timeliness, has ruled that the standard time limit rule does not apply to problems of employee protection and subcontracting covered under the September 25, 1964 Agreement. We so rule in this instance.

As to the merits of this case, this Board has often commented on the points raised by Carrier and has upheld many claims based on the same or similar arguments as are proffered by Carrier in this case.

This Board has generally held in cases involving the construction of new facilities that Carriers are not obligated to piecemeal the contract to permit the assignment of a part of the work to Carrier's employees. We have stated our rationale for this concept in numerous awards. For example, see a recent decision, Award No. 433, that cites further cases in support of the Board's position.

To further support Carrier's position in this instance, Carrier argued local ordinances required that licensed personnel and a registered contractor were required in order to do construction in the city of Warren. Carrier says it does not employ licensed employees, such as were required, nor is it a registered electrical contractor. These assertions were not refuted by the employees during the handling of this case on the property. Based on these facts, it is clear that Carrier did not violate the Agreement when it subcontracted for the building involved in this dispute.

This Board, after consideration of the dispute identified above, hereby orders that an Award favorable to the Petitioner should not be made. The claim is disposed of as set forth in the foregoing.

A W A R D

Claim denied.

Adopted at Chicago, Illinois, *June 24, 1980*

Rodney E. Dennis

Rodney E. Dennis - Neutral Member

W. H. H. H.

Dan L. Davis

Johnson

R. K. Remick

Johnson

John J. Lignan

Carrier Members

Labor Members