

PROCEEDINGS BEFORE SPECIAL BOARD OF ADJUSTMENT NO. 1016

Award No. 87

Case No. 87

Referee Fred Blackwell

Labor Member: M. Schappaugh

Carrier Member: J. H. Burton

Parties To Dispute:

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

vs.

CONSOLIDATED RAIL CORPORATION

Statement Of Claim:

[As stated in the submission and not repeated herein.]

Findings:

Upon the whole record and all the evidence, and after hearing on April 24, 1992, in the Carrier's Office, Philadelphia, Pennsylvania, the Board finds that the parties herein are Carrier and Employees within the meaning of the Railway Labor Act, as amended, and that this Board is duly constituted by agreement and has jurisdiction of the parties and of the subject matter.

Decision:

Claims sustained.

OPINION

INTRODUCTION

This case is one of a group of twenty (20) Scope Rule cases that relate to claims

about the performance of crossing repair work by outside contractors and that was held in abeyance, by the parties' stipulation, pending the decision of this Board on the crossing repair/Scope Rule dispute in Case No. 10 respecting claims arising in May 1985 (System Docket CR-1775 and CR-1776). This Board sustained the claims in Case No. 10 and awarded compensation to the Claimants in Award No. 10 issued on April 5, 1991; similar sustaining rulings were issued in succeeding Awards Nos. 11 and 12, also issued on April 5, 1991.

In June and July 1991, the parties held discussions about the group of cases held in abeyance in light of this Board's Award No. 10, and disposed of thirteen (13) of the twenty (20) cases held in abeyance. The Carrier determined that Award No. 10 was inapplicable to the remaining seven (7) cases (herein Case No. 87 and Cases Nos. 82, 83, 84, 85, 86, and 88)¹ and denied each case on various grounds by separate letters in June and July 1991. Upon receipt of the Carrier's letter denying the herein case, dated July 10, 1991, the Organization progressed said cases to this Board by letter dated July 22, 1991.

NATURE OF CASE

This case is comprised of claims filed on August 21, 1989, on behalf of five (5) furloughed Claimants who allege that the circumstances in which the Carrier permitted

¹ Case No. 83 was denied in this Board's Award No. 83 (June 23, 1992) on the ground that the record did not show the performance of work by a contractor in the month cited in the claims.

crossing/repair work to be performed by an outside company on various grade crossings on the Bayard Branch, Compit West End Lead on the Pittsburgh Division on August 4, 11, 15, 16, and 17, 1988, and continuing, violated the Scope Rule provisions, of the Conrail-BMWE Agreement, on the subjects of work jurisdiction and the requirement for advance notice of a contracting-out transaction.

ON-PROPERTY HANDLING

There is a threshold issue about the on-property contentions raised by the Carrier respecting the herein claims, that the Board must determine before considering the merit arguments of the parties in this matter. The predicate in the Board's determination of this procedural matter is that the parties' handling of these claims on the property ended when the parties agreed to hold this and other cases in abeyance pending the outcome of Case No. 10, which concluded with Award No. 10 of this Board.²

The Carrier's letter dated June 12, 1991, which advised the Organization of the reasons for the Carrier's decision that Award No. 10 does not apply to the claims in herein Case No. 87, sets out these reasons as follows:

- "1. Improper Claimants. Claim alleges unknown contractor utilized 2 vehicle operators, 2 machine operators and 1 foreman to work at the locations cited in the initial claim, however, the following would not have stood for recall pursuant to Section 4 of Rule 3 because there was no need for their class or they did not possess seniority in the class in which they claim:*

² The parties' on-property handling of these claims is comprised of Carrier letters dated September 19 and November 13, 1989, and February 9, 1990, and Organization letters dated August 21, September 30, December 1, 1989 and March 6, 1990.

D. J. Domin - Has only Trackman seniority.
R. Ribet - Has no Vehicle Operator seniority.
B. Porter - Has only Trackman seniority.
C. Beveridge - Has only Trackman seniority.

2. *Claimant D. Williams was not furloughed, he worked and/or was on vacation on the dates cited."*

The Organization's letter of July 22, 1991, in responding to the Carrier's letter about its denial decision, objected that the reasons set out in the Carrier's July 10 letter had not been raised on the property and thus are new subjects that cannot be considered by this Board.

The Organization further objects that the Carrier's submission (CS) advances additional contentions that were not mentioned in the Carrier's June 12 letter and that were not raised on the property, namely: continuous claim (CS, page 5), incorrect dates (CS, page 11), and non-ownership of the necessary equipment to perform the disputed work (CS, page 15).

Board review of the record of the handling on the property confirms the validity of the Organization's objection that the contentions, set out in the Carrier's letter of June 12, 1991, were not raised on the property and thus such contentions will not be considered by the Board in the adjudication of the herein claims.

The Board also finds that the contentions in the Carrier's submission about continuous claims, incorrect dates, and non-ownership of the equipment needed to perform the disputed work, were not raised on the property and thus these contentions will not be considered by the Board in the adjudication of the herein claims.

In view of the foregoing findings concerning the on-property handling in this matter, the Board notes that the contentions argued in the Carrier submission that are properly before this Board for consideration in the adjudication of the herein claims, are the following:

1. The work of paving and repairing crossings is work that has historically been performed by "off-railroad" companies in past years.

2. The Carrier should not be required to compensate the Claimants because the scope violation was only made evident by this Board's issuance of Award No. 10.

MERIT DISCUSSION AND FINDINGS

From review of the whole record the Board concludes and finds that the claims have merit and are supported by the record.

Accordingly, in line with this Board's precedent Award No. 10, the Board finds that the paving and repair of crossings in dispute in this case is covered by the BMW Scope Rule and that the Carrier provides no justifiable reason for contracting out said work. Therefore, the Board finds that the Carrier's actions in this matter violated the work jurisdiction provisions and the advance notice provisions of the Scope Rule in the Conrail-BMW Agreement. A sustaining award is thus in order.

The Carrier's reasons for denying the herein claims, as indicated, are not persuasive.

The Carrier's contention that the work of paving crossings has historically been performed by "off-railroad" companies does not justify the contracting out of such work

that is in dispute in this case. In precedent Award No. 10, this Board expressly found that:

"...the disputed work of paving (blacktop) and related clean-up at grade crossings at the Cincinnati-Dayton Road and at Kemper Road on the Columbus to Cincinnati Mainline, falls within the purview of the Scope Rule of the confronting Maintenance of Way Agreement;"

The Board notes in addition that the herein disputed work is covered by the Scope Rule's specific terms and by the Scope Rule's provision that the Scope Rule covers work which was being performed by BMW on the date of the Conrail-BMW Agreement, i.e. February 1, 1982.

In view of this finding, it follows that the Carrier was subject to the Scope Rule's requirement to give the General Chairman fifteen (15) days advance notice of a contracting out transaction.

The Board also rejects the Carrier's contention that compensation is not appropriate in this matter because the scope violation was only made evident by this Board's issuance of Award No. 10. In this regard the Board notes that the Carrier had knowledge, prior to letting the contract to Hilltop Paving, that the Organization opposed contracting out such work and claimed that the crossing work belonged to BMW. In these circumstances the Carrier went ahead with the contract to Hilltop Paving at its own risk: the fact that the controversy about the work was not determined until the issuance of Award No. 10 is no basis for denying compensation to the herein Claimants.

In view of the foregoing, and based on the record as a whole and on precedent

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Awards Nos. 9, 10, 11, and 12, the Board finds that the herein claims are supported by the record (supra 5) and, therefore, the claims will be sustained and compensation will be awarded to the Claimants for work by outside companies that is shown by a joint check of the pertinent records to have been performed at the locations cited in the claims during the month of August 1989.

A handwritten signature in cursive script that reads "Fred Blackwell". The signature is written in dark ink and is positioned above a horizontal line.

Fred Blackwell
Chairman / Neutral Member
Special Board of Adjustment No. 1016

May 1, 1995

FRED BLACKWELL
ATTORNEY AT LAW

P.O. BOX 6095
WEST COLUMBIA,
S.C. 29171
(803) 791-8086

AWARD


The record established that the Carrier violated the work jurisdiction and advance notice provisions of the Scope Rule of the Conrail-BMWE Agreement.

Accordingly, the claims are hereby sustained and the Carrier is directed to compensate the Claimants for work by outside companies that is shown by a joint check of the pertinent records to have been performed at the locations cited in the claims during the month of August 1989.

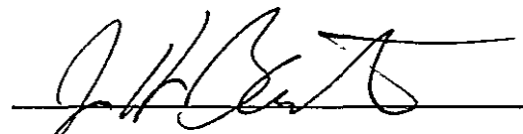
BY ORDER OF SPECIAL BOARD OF ADJUSTMENT NO. 1016



Fred Blackwell, Neutral Member



M. Schappaugh, Labor Member



J. H. Burton, Carrier Member

Dissent Attached

Executed on 6/2, 1995

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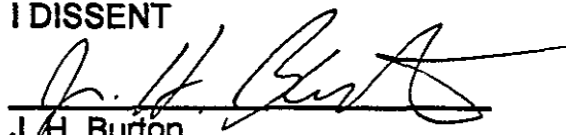
CARRIER MEMEBER'S DISSENT

The holding in Awards 82 and 84-88 is not surprising; the windfall granted to numerous employees is unwarranted. These cases are virtually identical with that reviewed by this Board in Award No. 10. In each of these crossing paving contracting cases, the Carrier relied on its long standing practice and used a contractor to perform the work. In none of these cases did the Carrier provide notice to the General Chairman of its intent to contract, and provide an opportunity for the Organization to discuss the contracting transaction. Since issuance of Award No. 10, the Carrier has complied with the requirements of the Scope Rule in all paving transactions.

While dismissing the Carrier's valid arguments on improper claimants, this Award provides absolutely no rationale for distinguishing this case from that in Award No. 83, which found that similar paving cases held in abeyance were still "on property". The majorities' insistence on paying all Claimants, even when they were not available for service due to their working other positions, being in a furloughed status or even where they did not possess the appropriate seniority, is their means of applying punitive damages where no such right exists under the contract. A number of Awards, typified by Third Division Awards 30844, 30756, 28923, Public Law Board No. 4615, Award No. 3 and Public Law Board No. 3775, Award No. 39, on this property, have properly denied payments in such instances.

For all of these reasons,

I DISSENT


J. H. Burton
Carrier Member

LABOR MEMBER'S RESPONSE
TO
CARRIER MEMBER'S DISSENT
TO
AWARD NOS. 82 AND 84-88 OF SPECIAL BOARD OF ADJUSTMENT NO. 1016
(Referee Blackwell)

One school of thought among railroad industry arbitration practitioners is that dissents are, for the most part, not worth the paper they are printed on because they rarely consist of more than a sour grapes repeat of arguments that were considered and did not prevail in the case. While the Labor Member does not necessarily adhere to this school of thought, it is foursquare on point with respect to the dissent on these cases. In a transparent attempt to assail the unassailable reasoning of the Majority, the Carrier Member's dissent misstates the facts, mischaracterizes the effect of the award and then cites anomalous awards as if they represent the dominant precedent on damages, which they do not.

The first problem with the dissent is that it relies upon the false premise that the Carrier had a long-standing practice of contracting out the work in question. This is a misstatement of the facts. As the record shows, BMWF-represented employees were performing crossing work as of the effective date of the Agreement and continued to consistently perform it thereafter. When the Carrier did contract out crossing work, the union filed claims, literally dozens of them. It should go without saying that contracting out which is consistently challenged by the union does not establish a "practice".

After misstating the facts, the Carrier Member asserts that since the issuance of Award No. 10, the Carrier has served notice to the General Chairman when it intended to contract out crossing work, as if to imply that Award Nos. 10, 82 and 84-88 somehow mean that if the carrier provides advance notice it may contract out crossing work. Of course, this is not what these awards say and the Carrier Member's implication to the contrary is in conflict with the plain language of the awards, the Scope Rule and the controlling practice. The fact that Conrail may notify the General Chairmen of its desire to contract out crossing work does not give it the right to do so under the Scope Rule.

Finally, the Carrier Member assails the remedy by stating that it was improper to allow compensation for employees that were working elsewhere or for employees that were furloughed. In other words, the Carrier Member seems to think that the Carrier should be able to violate the Agreement with impunity because there are no circumstances under which a monetary remedy is appropriate. One would have thought that the day had long since passed when such an argument would even be raised. It has long been settled by the courts that the Board had the authority to order the remedy that it did in these cases. See the decision of the U.S. District Court, Eastern District of Texas in BRAC v. St. Louis Southwestern Ry. Co. (126 LRRM 2643),¹ which upheld an arbitrator's award above the type

¹ The cited case was affirmed by the U.S. Court of Appeals for the Fifth Circuit, and the U.S. Supreme Court denied cert. on October 13, 1987.

of common law arguments the Carrier made in the instant cases. Moreover, since the very inception of the NRAB and Public Law Boards, arbitrators in this industry have been awarding monetary damages in contracting out cases and similar cases, not only to make claimants whole for wage loss suffered, but, more importantly, to enforce the integrity of the Agreements. Typical of the thousands of awards holding to such an effect are Third Division Awards 685, 2277, 10033, 11701, 19937, 12374, 13349, 14004, 14982, 15689, 16009, 16430, 16946, 19268, 19324, 19814, 19846, 19924, 21678, 21751, 27485, 27614, 28185, 28241, 28513, 28851, 29036, 29531, 29783, 29939, 30827, 30910, 30912 and 30944. These awards clearly demonstrate that from the early days of the Adjustment Board right through to the present (i.e., Award 30944 is dated June 29, 1995) arbitrators have been awarding monetary remedies similar to the remedy in the instant cases, not only to make employees whole for lost work opportunities, but to enforce the integrity of the Agreements.


In addition to the overwhelming precedent cited above, the fact is that another of the arbitrators on the rotating panel of arbitrators assigned to Special Board of Adjustment No. 1016, has issued a finding on monetary remedies that is entirely consistent with the instant cases. See Award No. 34 of Special Board of Adjustment No. 1016 wherein Arbitrator Westin held:

"We regard any improper siphoning off of work from a collective bargaining agreement as an extremely serious contract violation, one that can deprive the agreement of

"much of its meaning and undermine its provisions. In order to preserve the integrity of the agreement and enforce its provisions, the present claim will be sustained in its entirety. Contrary to Carrier's contentions, we do not find that the absence of a penalty provision or the fact that claimants were employed full time on the five dates in question deprives the Board of jurisdiction to award damages in this situation."

Moreover, the findings of Special Board of Adjustment No. 1016 concerning the payment of monetary remedies to enforce the Agreement have consistently been cited with favor by the NRAB in cases involving this Carrier. For example, see Third Division Awards 29381 (Referee Fletcher) and 30181 (Referee Marx) which cite Award No. 41 of Special Board of Adjustment No. 1016 with favor concerning a monetary remedy for fully employed claimants.²

Award Nos. 82 and 84-88 are well-reasoned awards that draw their essence from the plain language of the Agreement and set forth a remedy consistent with literally thousands of awards and dominant legal precedent. For all of these reasons, the Carrier Member's dissent falls short just as its initial cases fell short and should be given the same amount of credence, which is to say none.


Mark J. Schappaugh
Labor Member

² It is worth noting that the former Carrier Member of Special Board of Adjustment No. 1016 did not file a dissent to Award No. 34 and the present Carrier Member of Special Board of Adjustment No. 1016 did not file a dissent to Award No. 41. Moreover, the Carrier Members of the NRAB did not file a dissent to Third Divisions Awards 29381 or 30181.