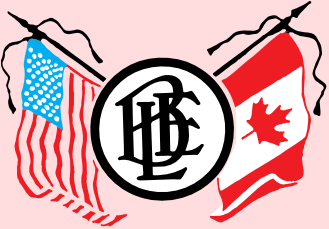


# THE LOCOMOTIVE ENGINEER NEWSLETTER • FEBRUARY 2001

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## BLE strikes UP

### Unilateral change in leave qualifications leads to walkout

Over 8,000 members of the Brotherhood of Locomotive Engineers went on strike on January 27, bringing the largest railroad in North America to a halt.

BLE's strike against the Union Pacific Railroad began at midnight on January 27 and paralyzed the railroad's 38,654 miles of track in 23 states. The strike was triggered by UP's imposition of new qualification standards for personal leave days for engineers.

BLE International President Edward Dubroski said the job action was "something we were forced to do. Union Pacific chose to unilaterally impose new working conditions on locomotive engineers, in defiance of federal law."

Under the terms of the Railway Labor Act, which governs labor relations in the railroad and airline industries, changes in rates of pay, rules and working conditions cannot be made without, at the very least, prior notice and negotiations. The Act also provides for mediation and voluntary arbitration, if negotiations fail.

"The proper way to make the sort of change UP has forced upon us is to bargain for such a change," Dubroski said. "In fact, we have been in negotiations since November 1, 1999, and the subject was never raised."

The strike ended about four hours later, following issuance of a Temporary Restraining Order by a federal judge in Omaha, Neb.

In issuing the Restraining Order, U.S. District Court Judge Lyle Strom preliminarily ruled that issue was a "minor" dispute, which is subject to binding arbitration under the provisions of the Railway Labor Act.

Commenting on the court ruling, BLE President Dubroski said, "While we disagree with the court, and are confident that our legal position ultimately will prevail, we will respect the court's order. Right now, my strongest feeling is one of great pride and respect for the men and women we represent on the Union Pacific, and they way they defended their contractual rights." •

### News analysis

## The Union Pacific dispute and safety

The BLE's January 27 strike of the Union Pacific Railroad (UP) comes in the wake of a series of increasingly aggressive steps by the railroad, which threaten to compromise the safety of its workers.

UP management has drastically reduced the ability of BLE members to take much needed rest days from work. These rest days are essential, as they greatly reduce the risk of on-the-job fatigue-related accidents and injuries.

Many locomotive engineers are on call 24 hours a day, seven days a week, and often are required to work shifts for more than 12 consecutive hours, although train operation beyond 12 hours is forbidden by federal law. Thus, guaranteed rest days provide a key countermeasure to fatigue.

Since January 1, however, UP management has taken three significant actions, which the BLE believes increase the potential for fatigue-related accidents, injuries and fatalities.

- It is changing procedures for adjusting extra boards on some portions of the system, making it more difficult for workers to obtain days off by reducing the number of engineers on those boards.

- It is systematically eliminating "7 & 3" extra boards, which grant engineers three days of rest following seven consecutive days of work.

- It unilaterally imposed new qualification requirements for personal leave days.

"These changes put workers at risk," said BLE International President Edward

Dubroski. "In 1996, Union Pacific had a year-long 'safety meltdown.' There was a rash of 15 accidents involving Union Pacific trains, many of which were fatigue-related, causing 13 deaths. Union Pacific's actions reverse three key remedial measures to combat fatigue."

What directly led to the work stoppage was UP's unilateral imposition of new, draconian qualification requirements for personal leave days, without complying with the notice and bargaining mandates contained in the Railway Labor Act. Under these requirements many engineers, who operate long-distance trains and worked 100 percent of the time they were scheduled last year,

See Dispute and Safety, Page 3

## Labor coalition launches 2001 campaign for Railroad Retirement Reform

The 2001 campaign to pass the Railroad Retirement and Survivors' Improvement Act is up and running.

National officers and legislative representatives from each rail union in the Coalition of Rail Employees for Improved Pensions (REIP) met on Jan. 16, 2001, in Washington, D.C. with representatives of every major railroad and retiree organization to plan strategy to enact railroad retirement improvements this year.

Every union and railroad at the

meeting pledged that achieving railroad retirement reform would be their top legislative priority this year. Leaders discussed in detail how to build on last year's campaign that came so very close to succeeding, when our bill passed the House of Representatives by the overwhelming vote of 391 to 25, 83 Senators signed a letter of support and the Senate Finance Committee voted for it, only to never come up for a vote in the full Senate due to the opposition of a handful of senators.

Leaders at the meeting agreed that broad bipartisan support continues to exist in both houses of Congress, but that the opponents of reform are on record that they will once again do everything possible to block legislation. Further complicating matters is the fact that there will be new Committee Chairmen in several of the key committees of jurisdiction: House Transportation and Infrastructure, House Ways and Means, House Budget, and Senate Finance. And, perhaps most impor-

tantly, the incoming Bush Administration has not yet had a chance to study the issue.

Therefore, it was agreed to use the next two months to meet with the new Committee Chairmen, their staffs, and key members of the Bush Administration to educate them on the merits of our proposal. Meetings are already being scheduled. This is an ideal time for

See H.R. 180, Page 8



# LEGISLATIVE UPDATE

## FRA issues statement on railroad bridges

The Federal Railroad Administration has issued a final statement of policy that ensures the structural integrity of bridges that carry railroad track. This statement of policy contains guidelines for the proper maintenance of railroad bridge structures. It is meant to be advisory in nature. The owner of a bridge that carries railroad tracks is responsible for compliance. The guidelines provide that a bridge's safe capacity should be determined, loads should be controlled so as not to exceed the bridge's capacity, bridge records should be kept, and bridges should be inspected periodically including underwater inspections where appropriate. A special bridge inspection should be performed after certain occurrences such as a flood, earthquake, derailment or unusual impact. •

## NTSB report says rail deaths declined in 1999

The National Transportation Safety Board reports that railroad fatalities declined in 1999 while total U.S. transportation-related fatalities remained level compared to 1998. Rail fatalities declined from 831 to 805 on the strength of a large drop in pedestrian fatalities associated with intercity rail operations. However, fatalities occurring on light rail, heavy rail and commuter rail rose from 192 to 218. Deaths among passengers on trains rose from four to 14. •

## Voters approve high speed rail in Florida

Brother Dave Lavery, SLBC-FL, reports that voters approved a proposed constitutional amendment directing the state and/or private entities to finance the design, construction and operation of a high speed ground transportation system. The system's technology options include high-speed monorail, fixed guideway or magnetic levitation. Approximately three years ago, within the first five days of Florida Governor Jeb Bush taking office, he killed the Fox High-Speed Rail project that was to provide service between Tampa, Orlando and Miami. The voters overturned the Governor's decision. •

## DOT signs \$34 million contract for positive train control testing

The US Department of Transportation has awarded a \$34 million contract to a team lead by Lockheed Martin Corporation to develop and deploy a Positive Train Control (PTC) system on a 120-mile segment of the Chicago to St. Louis high-speed rail passenger corridor.

The system will enable Union Pacific's Omaha control center to monitor real time location of trains. When dispatchers authorize train movements over specific routes, computers will assure that operations are safe and will

issue movement instruction to trains over the digital radio network. A computer on each locomotive will display the permitted movements to the engineer and stop a train if operations contrary to the dispatcher's plan are attempted.

The contract award is being made through the North American Joint Positive Train Control Program, a partnership between FRA, Illinois DOT and AAR. •

## AFL-CIO aided working families on election day

Thanks in part to the BLE's participation this year in the AFL-CIO Labor 2000 Program, organized labor was successful in registering more members, educating members on the candidates' positions and mobilizing a bigger get-out-the vote effort than ever before.

Nationwide, labor votes turned around key races and won seats for candidates who backed working families. In addition, union members were able to convince voters to defeat all anti-union state ballot issues, including a number of paycheck deception measures. The success was due, in part, to the hard work by BLE State Legislative Boards and Division Legislative Representatives and the support of the BLE's International Officers. •

## FRA publishes final rule on power brakes

On January 17, FRA published its final rule on a new Power Brake regulation, three days prior to the end of the Clinton Administration. The final rule is to take effect on April 1, 2001. Therefore, FRA's Power Brake rule is one of the last-minute Clinton Administration regulatory actions that is expected to be reviewed by the new Bush Administration. The next step will be to see what action, if any, the Bush Administration takes following its review of the final rule. •

## California moves ahead with bullet train plans

Brother Tim Smith, SLBC-CA, reported that the dream of a bullet train advanced when California's High Speed Rail Authority awarded contracts for engineering and environmental studies. These studies will examine how a statewide high-speed rail network between the Bay Area and Los Angeles can be built. The studies are part of a \$25 million, three-year undertaking that will propose a route and station locations for the 700-mile system, as well as recommending how the system will be constructed and operated. •

## FRA freezes reporting threshold for accidents

The FRA stated that there will be no change in the reporting threshold for 2001. The monetary threshold for reporting railroad accidents/incidents involving railroad property is currently \$6,600, and will remain at the same level for the coming year. •

# BLE State Update

## News and notes regarding our State Legislative Boards

**Editor's Note:** The following information was compiled, written and submitted by the BLE's National Legislative Office in Washington, D.C.

**Georgia:** Brother Raymond Taylor, SLBC-GA, was appointed by the Governor to be a member of the Lower Chattahoochee Workforce Investment Board. The purpose of the Workforce Investment Board is to develop a seamless system of services linking various agencies and employers to citizens who are unemployed, underemployed, unskilled or dislocated due to downsizing, closures, etc. •

**Iowa:** Brother Chuck Hintz was elected Chairman of the Iowa State Legislative Board succeeding Brother John Giblin who retired. Brother Giblin was the longest serving State Legislative Board Chairman at the time of his retirement. •

**Illinois:** Brother Way, SLBC-IL, reports that the Governor has signed into law, Public Act 91-0729 (Trauma Counseling). This Act took effect Jan. 1, 2001. •

**Louisiana:** Brother Mike O'Brien is now Chairman of the Louisiana State Legislative Board following the tragic death of Brother Wayne Connor. •

**Pennsylvania:** Brother Ken Kertesz, SLBC-PA, advises that the State of Pennsylvania DOT announced \$7 million in grants to be used for construction, maintenance and repair of rail lines and grade crossings in 26 counties. The projects are expected to create more than 1,700 new jobs. •

**Minnesota:** Brother Tom Perkovich, SLBC-MN, advises that

the AFL-CIO is sponsoring a new website that will provide Minnesota unionists statewide labor news. The website is maintained by the University of Minnesota's Labor Education Service, and anyone can access it at: <[www.workdayminnesota.org](http://www.workdayminnesota.org)>. •

**North Dakota:** Congratulations to Brother Mike Muscha, who was re-elected by acclamation to his post as Chairman of the North Dakota State Legislative Board. •

**Utah:** Brother Walt Webster is the new Chairman of the Board. Brother Dean Hansen, who had been serving as State Chairman and Amtrak Regional Chairman, decided to devote more time to his Amtrak responsibilities. •

**Virginia:** Brother J. T. Norris was re-elected Chairman of the State Legislative Board. •

**Wisconsin:** Brother Keith Luebke, SLBC-WI, has been appointed by a Member of the Wisconsin Assembly to serve on the Speaker's Task Force on Railroad Safety. The Task Force's duty is to develop proposals that will increase awareness for railroad crossing safety and decrease the number of automobile-train crashes and deaths in the state. •

**Wyoming:** Farewell to Brother Kevin McCarthy, who retired after 19 years as Chairman of the Wyoming State Legislative Board. Brother Terry Jones was elected to be the new Chairman. Brother McCarthy was second in seniority to Brother Giblin, who retired in Iowa. •

*Best wishes to the retiring Brothers and congratulations to the newly elected State Legislative Board Chairmen. •*

## Safety advisory issued for intermediate signals

FRA has issued a safety advisory addressing recommended replacement of certain components in Harmon Industries' "Electro Code 4" and "Electro Code 4 Plus" intermediate signal units.

The post-accident investigation of a March 25, 1998, collision of a NS freight train with a Conrail freight train in Butler, Ind., revealed that an intermediate signal in the vicinity of the accident would randomly go dark. While it has been determined that the signal malfunction did not contribute to the accident, the malfunction was further investigated by the FRA, the NTSB and Harmon Industries, manufacturer of the signal control equipment.

The investigation revealed that certain modules in Electro Code 4 and Electro Code 4 Plus intermediate signal units can contribute to intermittent dark signal occurrences. The problem relates to 211S, 211SRP, and 212A modules. •

## Remote control data

For the next five years, railroads will indicate whether a remote control device was involved with any accident or incident reported to the FRA. FRA intends to modify existing instructions for accident/incident reporting forms to use the "Special Study Block" (SSB) on the forms to capture (with coded letters) data pertaining to accidents/incidents which involve remote control devices. •

# BLE battles state paycheck protection bill

BLE members are joining forces with other unions to stop a paycheck protection bill introduced in the North Dakota House of Representatives in mid-January.

House Bill 1337 is an attempt to silence working families. The highly controversial paycheck protection bill, known as "paycheck deception" to unions, would require labor organizations to obtain written approval from each individual member before using dues money for political purposes. The measure would handcuff labor unions and cost them millions of dollars per year in paper work and red tape. These restrictions on labor unions would give unfair political advantages to corporations.

BLE North Dakota State Legislative Board Chairman Mike Muscha said union members may have a tough time stopping the legislation because Republican leaders in both the North Dakota House and Senate are sponsoring HB 1337.

Hundreds of workers flooded the state Capitol's Memorial Hall in Bismarck on January 24 to protest the legislation. The protestors called HB 1337 nothing more than an attack on the rights of working families and a blatant violation of their First Amendment

rights to have ongoing communication with their unions.

North Dakota House Majority Leader Wes Belter (R-Leonard) and Senate Majority Leader Gary Nelson (R-Casselton) are sponsoring HB 1337. The primary sponsor of the bill is Rep. Blair Thoreson (R-Fargo). Other legislators sponsoring the bill are Rep. George Keiser (R-Bismarck), Sen. Jerry Klein (R-Fessenden), and Sen. Bob Stenehjem (R-Bismarck).

Chairman Muscha asks BLE members in North Dakota to immediately contact the following members of the North Dakota House of Representatives Finance and Taxation Committee, who will hold hearings on the bill, and ask for a "do not pass recommendation" on HB 1337. BLE members should call them at: (888) 635-3447, or in Bismarck, at: 328-3373.

- Al Carlson (R-Fargo, Dist. 41)
- David Drovdal (R-Arnegard, Dist. 39)
- Gil Herbel (R-Grafton, Dist. 16)
- Gene Nicholas (R-Cando, Dist. 15)
- Dennis Renner (R-Mandan, Dist. 31)
- Ray Wikenheiser (R-Linton, Dist. 28)
- Mike Brandenburg (R-Edgeley, Dist. 26)

- Earl Rennerfeldt (R-Williston, Dist. 1)
- Ed Lloyd (R-Grand Forks, Dist. 19)
- Byron Clark (R-Fargo, Dist. 44)
- Mike Grosz (R-Grand Forks, Dist. 42)
- Scot Kelsh (D-Fargo, Dist. 11)
- Arlo Schmidt (D-Maddock, Dist. 12)
- Joe Kroeber (D-Jameston, Dist. 48)
- Lonny Winrich (D-Grand Forks, Dist. 18)

For more details on this attempt to silence working families in North Dakota, please call (701) 250-9472 or (701) 223-0778.

The full text of HB 1337 is available for viewing and printing on the BLE website at: <http://www.ble.org/pr/news/ndpaycheck.html>.

In addition to battling HR 1337, members of the BLE North Dakota State Legislative Board are busy with two other pieces of legislation.

The first, Senate Bill 2359, would provide mandatory counseling and up to three days of leave for railroad crews following on the job critical incidents.

The second, Senate Bill 2309, would require that railroad crew transportation providers carry a minimum of \$4 million of underinsured/uninsured motorist coverage. •

## Still time to register for New Jersey Compliance Class

There is still time to register for BLE Compliance Classes in Newark, N.J., on March 22-24.

All secretary-treasurers who plan to attend this training sessions must register with Dr. Elaine Reese of the BLE International Division at (216) 241-2630, extension 243, or via the internet at: [reese@ble.org](mailto:reese@ble.org).

The March 22-24 class will take place at the Ramada Inn-Newark. The number for hotel reservations is: (973) 824-4000.

During the two-and-a-half day session, members will learn proper record keeping techniques, computer applications, methods for filing various Department of Labor reports, Railroad Retirement forms, as well as Federal tax returns. S-Ts are asked to bring their own calculator to the classes.

Additional copies of IRS forms can be downloaded from the IRS website, [www.irs.gov](http://www.irs.gov). To find the forms, go to "forms and publications." A free copy of Adobe Acrobat is available for printing and viewing the forms.

On a related note, Dr. Reese reports that the Department of Labor has introduced a new LM Report to begin preparing for online filing. The information required is the same but the format in which it is required is different.

One major change is that the new forms are machine readable; therefore, every green line must be filled out, even if there is no entry.

Write zero ("0") in the right column of the lines which you do not have an entry. If any items (green lines) are left blank, then you may receive the report back as not filed, so make sure to fill out every (green) line. •

## BLE, rail score win in Herzog suit

The U.S. District Court for the District of Columbia has upheld the decision of the former U.S. Secretary of Labor Alexis Herman to enforce section 13 (c) of the Federal Transit Act. Herzog Transit Services had sought to bid on the operation of Bay Transit Authority's commuter rail services in the San Francisco area without being regulated by 13 (c).

The BLE, along with the Firemen and Oilers, IAM, IBEW, TCU and UTU, intervened last fall in support of the Labor Department, and were granted

intervenor status in mid-December.

The provisions of 13 (c) authorize the Secretary of Labor to condition certification of bids in order to protect collective bargaining and workers' rights. The court ruling held that this was a "fair and equitable" provision.

"This is the second major victory for rail labor against anti-union commuter service providers in less than a year's time," said BLE President Edward Dubroski. "My thanks go out to the officers and members of the BLE who helped us secure this win." •

## BLE cites serious safety concerns in recent disputes with Union Pacific

### Dispute and Safety

Continued from Page 1

no longer qualify for personal leave days.

"Unfortunately, the Railway Labor Act gives railroads wide latitude to abuse workers, but this latitude is not without limits," Dubroski said. "Union Pacific stepped way, way over the line when it effectively stole these personal



Most people need about 8 hours of sleep each night. But Americans usually get less than 7. The result: a sleep-deprived nation. Are you being affected by too little sleep?

Make time to get your 8 hours starting with National Sleep Awareness Week, March 26-April 1, 2001 ... and every night of every week.

Find out if you are getting enough sleep or how to improve your sleep health by taking the quiz on our Web site at <http://www.sleepfoundation.org>. It's your address for information on sleep and sleep issues.

**NATIONAL SLEEP FOUNDATION**  
*Waking America to the Importance of Sleep*



# BLE NEWS

# Financial aid available for 2001-02

## • Joint Craft Scholarship deadline April 1

A Joint Craft Scholarship is now available through the Brotherhood of Locomotive Engineers to college-bound children of all railroad operating crafts.

"To my knowledge this is the only scholarship program that covers all

craft lines and is available on any railroad," BLE Burlington Northern-Santa Fe General Chairman John D. Mullen said.

The scholarships are available to children of employees working on any railroad represented by any railroad union currently covered under the Federal Employers' Liability Act. It provides financial aid to children of active, retired, or deceased railroad employees who would be unable to attend college without financial assistance.

Established in 1995 by Brother Mullen and other dedicated BLE mem-

bers, the Joint Craft Scholarship Program has since offered dozens of awards.

Intended to provide financial assistance to children who otherwise wouldn't be able to attend college, the scholarship offers several awards ranging from \$500 to \$1,000.

"There are no stipulations if you are already attending college or are just starting out," Mullen said. "The Committee focuses more on the applicant's financial need rather than his or her academic performance."

Completed applications must be

received by April 1. Applications will be reviewed and award winners determined by the Railroad Crafts Scholarship Foundation's Board of Directors at their annual meeting held in May of each year.

For an application packet, please write or call:

**Brotherhood of Locomotive Engineers  
General Committee of Adjustment  
BNSF/Santa Fe Committee  
611 N. Broadway  
Joshua, TX 76058  
Phone: (817) 426-9003**

## SWCM scholarships

The Southwestern Convention Meeting awards approximately two dozen scholarships annually, according to SWCM Scholarship Committee Treasurer Leo Srubas.

Applicants must be the child of an active, retired or deceased BLE member whose division belongs to the Southwestern Convention Meeting. Applicants must be accepted for admission to an accredited college, university or institution of higher learning. Completed applications must be received by the SWCM treasurer no later than the opening date of each annual SWCM convention.

For further details or an application, write:

**Leo Srubas  
SWCM Scholarship Chairman  
5005 Georgia  
Kansas City, KS 66104**

## SMA scholarships

The Southeastern Meeting Association Scholarship Committee annually awards the Geiger-Brendle Scholarships to children of active or retired BLEs whose divisions participate in SMA.

Check with your division secretary-treasurer to ensure your division participates. The SMA includes divisions located in states east of the Mississippi River, and south of the Ohio River and the Mason-Dixon Line.

The SMA scholarship application deadline varies from year to year. Winners are usually selected at the SMA's annual business meeting held during the convention, which will be June 24-28, 2001. For an application, write:

**Ronald L. Perkins  
SMA Sec./Treas.  
505 Chautauqua Avenue  
Portsmouth, VA 23707**

## EUMA scholarships

The Eastern Union Meeting Association provides several \$1,000 scholarships each year based on academic excellence and financial need.

To be eligible, the applicant must be the child of a BLE member (living or deceased) of a division currently participating in the EUMA. Applicants must provide a copy of their SAT scores, their college admission papers, and a copy of their last marking period or grades for the last semester completed. Incomplete applications won't be accepted.

The deadline varies from year to year. To obtain a scholarship application, contact your local EUMA division officer or write:

**Gary Brink  
12 Kellogg Ave.  
Port Jervis, NY 12771**

## • Applications due April 1 for GIA, GIA-IWC

The Grand International Auxiliary to the BLE offers \$1,000 scholarships annually to help the children of BLE members realize their goals in life. Last year the GIA awarded five such scholarships to college-bound students.

However, there are two very strict

guidelines that must be met in order to be eligible.

First, the applicant must be a son or daughter of both a GIA and BLE member (living or deceased), with each being a member for at least two years.

Second, the applicant must be enrolled or accepted for enrollment in an accredited university, college, or school of higher learning.

The GIA also offers a joint scholarship program for children of members participating in the International Western Convention. This covers Divisions and Auxiliaries in the following states and provinces: Arizona, California,

Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Alberta, British Columbia, Manitoba, Saskatchewan, and portions of northern Ontario (such as Thunder Bay and Sioux Lookout). Applicants for the GIA-IWC scholarship must have a parent participating in the IWC.

In order to continue to be eligible for the GIA-IWC scholarship beyond the first quarter and/or semester, the recipient must maintain satisfactory academic status. If the applicant is a graduate student or returning to school as a sophomore, junior or senior, he or she

must have a 3.0 grade point average or better to be considered. Finally, the applicant must have been accepted to an accredited school.

Deadline for the GIA as well as the GIA-IWC joint scholarships is usually April 1 of each year.

Applications are available through your local GIA auxiliary or BLE division. Members-at-large may obtain applications by writing:

**Betty Clary  
GIA Grand Secretary  
P.O. Box 361  
Manchester, GA 31816**

## • BLE Divisions offer assistance

• BLE Division 269 (Jamaica, Long Island, N.Y.) offers two \$500 scholarships to its members whose children are already enrolled in college. Participation is limited to members of Division 269 only.

Winners are picked at random in a raffle held each December at the division's Christmas party. For more details, watch your Division 269 newsletter or contact Division 269 Local Chairman Bob Evers at (516) 932-7130.

• Two \$500 scholarships are available to children of members in BLE Division 57 (Boston, Mass.).

"These scholarships will be awarded to high school seniors who are going on to higher education, and will

be awarded based on their scores on a labor history exam, administered by the Massachusetts AFL-CIO," said Div. 57 Secretary-Treasurer W.H. Nutter.

By taking the exam, students also become eligible for eight more scholarships through the Massachusetts AFL-CIO. This scholarship competition is open to all children of BLE members living in Massachusetts. For details, contact Brother Nutter at: 83 Main St., Northfield, MA 01360-1015, or e-mail whnutter@yahoo.com.

• BLE Division 11 (New York, N.Y.) awards a scholarship annually to a child of any active member of its division in the amount of \$500. The deadline for application is the Division's August meeting.

For details, contact Division 11 Secretary-Treasurer J.J. Raia, at 20 East Drive, Edison, N.J. 08820, (732) 396-9076, or e-mail jjob80@ix.netcom.com.

## Assistance available from BRCF

The Brotherhood's Relief and Compensation Fund sponsors the Luther G. Smith Scholarship Program. Applications are available only to the children, stepchildren and adopted children, age 27 and younger, of active BR&CF members who are in "Good and Regular Standing," as defined by the BR&CF Constitution.

Financial aid is provided to winners of the Luther G. Smith Scholarships for so long as they maintain continuous post-secondary education at an academic level of not less than 3.0 (4.0 scale), or the equivalent, until they achieve the degree level sought at the time of the initial

scholarship award. Aid is provided to awardees for the period in which they would normally be expected to complete their degree, not to exceed four years.

The deadline for receipt of applications and the required documentation is March 1, 2001.

If you have any questions, please contact Norann Kauffman of the BR&CF at (800) 233-7080. For more details, you can visit the BR&CF website at www.brcf.org, or write:

**Brotherhood's Relief & Compensation Fund  
2150 Lingelstown Road  
Harrisburg, PA 17110**

## Burlington Northern-Santa Fe



Burlington Northern Santa Fe reported fourth quarter 2000 earnings which were 6 percent lower than fourth quarter 1999 earnings.

Revenues of \$2.34 billion for the 2000 fourth quarter were \$51 million lower than the prior-year period.

Operating expenses of \$1.80 billion were \$8 million higher than the 1999 fourth quarter. Fuel expense was \$75 million higher than 1999, despite a 3 percent decrease in consumption.

The average cost of diesel fuel per gallon, excluding hedge effects, increased 34 cents to \$1.06. Overall expenses, excluding fuel, were down by \$67 million, or 4 percent primarily a result of lower environmental and incentive compensation expenses.

Operating income was \$544 million for the fourth quarter 2000 compared with \$603 million a year ago. The operating ratio increased to 76.5 percent for the fourth quarter 2000 compared with 74.5 percent in 1999. •

## CSX Transportation



CSX Corp. earned \$54 million, or 26 cents a share in the quarter. The results were an improvement from the year-earlier quarter, when it earned \$44 million, or 20 cents a share, excluding onetime items in that period.

The company did not follow the path of eastern competitor Norfolk Southern Corp. and Union Pacific Corp., which announced staff cuts in response to declining freight levels. Nor did CSX give any specific earnings forecasts for the current quarter or year.

The company's revenue fell 22% in the quarter to \$2.0 billion from \$2.6 billion. But almost all of that is due to the loss of revenue from Sea-Land, which was included in the year-earlier results. Rail revenue stayed essentially flat at \$1.8 billion in both the most recent quarter and year-earlier result.

Fuel costs at CSX Transportation rose 49% to \$168 million. But the containment of other operating expenses at the railroad meant that its ratio of operating expenses to revenue actually improved slightly to 88.7% from 89.1%, when \$55 million in severance costs are excluded from the year-earlier results. Railroads historically shoot for an operating ratio in the 80% range.

The company's results in the fourth quarter of 1999 were hurt by service problems at the railroad due to the integration of half of Conrail into its system earlier in the year, along with damage to track from Hurricane Floyd in September 1999. •

## Kansas City Southern Industries



Kansas City Southern Industries, Inc. reported fourth quarter 2000 income from continuing operations of \$3.6 million, a stark improvement when compared to a loss of \$7.2 million in the fourth quarter of 1999.

This \$10.8 million improvement resulted primarily from an increase in U.S. operating income of \$6.8 million, a \$6.1 million increase in equity earnings related to Grupo

Transportacion Ferroviaria Mexicana, S.A. de C.V., and a decrease in interest expense of \$2.5 million, somewhat offset by a decline in income tax benefits. KCSI's consolidated fourth-quarter 2000 revenue decline of \$16.9 million (11.1%) was more than offset by a \$23.7 million reduction in operating expenses, resulting in improved operating income. Fourth quarter 1999 included \$12.8 million of non-recurring unusual costs and expenses.

For the year ended Dec. 31, 2000, income from continuing operations, before extraordinary items, increased \$15.2 million (149%) to \$25.4 million, or 43 cents per diluted share, from \$10.2 million, or 17 cents per diluted share, for the year ended Dec. 31, 1999. •

## Union Pacific Corp.



Union Pacific Corp. reported fourth-quarter net income of \$229 million, down from \$242 million a year earlier. The 2000 figure excluded an after-tax charge of \$72 million for costs related to work force reduction.

Operating income in the quarter, excluding the Overnite Transportation trucking subsidiary, declined to \$438 million, excluding the work-force-reduction charge, from \$499 million a year earlier. Overnite's fourth-quarter operating income surged to \$16 million, after a \$13 million operating loss a year earlier. Revenue at Overnite rose 6% to \$274 million from \$259 million.

Union Pacific Railroad's commodity revenue increased 2% in the quarter to \$2.6 billion. Intermodal revenue rose 9%, while automotive and energy shipments increased by 7%.

For the year, UP reported net income of \$842 million, up from \$810 million a year earlier. Income from continuing operations jumped 17% in the year to \$914 million from \$783 million.

"In 2000, our unparalleled rail franchise and our well-balanced commodity mix allowed us to successfully meet the needs of our customers and produce solid financial results," said UP Chairman and CEO Dick Davidson. •

## Canadian National Railway



Canadian National Railway's fourth-quarter income rose 11% to 237 million Canadian dollars (US\$155 million) from C\$213 million (US\$140 million) on a larger number of shares, in the comparable 1999 period.

Revenue and carload volume in the final quarter of 2000 were relatively flat at US\$920 million and 949,000, respectively, as the North American economy slowed noticeably. The railroad managed to reduce expenses in the period by 3% to US\$630 million, offsetting a significant increase in fuel prices.

Operating income in the fourth quarter rose 8% to US\$290 million, and the ratio of operating expenses to revenue, a key measurement of railroad operating efficiency, improved by 2.4 points to 68.3%, the lowest of any major railroad in North America.

For the full year, operating income increased 12% to US\$1.1 billion, and the operating ratio improved 2.4 points to 69.6%. •

## Canadian Pacific Railway



CANADIAN  
PACIFIC  
RAILWAY

Canadian Pacific Railway's fourth-quarter earnings jumped to US\$170 million from US\$80 million a year earlier. The railroad earned US\$353 million in 2000, compared with US\$242 million in 1999.

Overall, the railway's parent company Canadian Pacific Ltd. earned a record 1.8 billion Canadian dollars (US\$1.2 billion) for the full-year 2000, more than doubling the US\$388 it earned in 1999.

CPR had its fifth consecutive year of record operating income, aided by cost reductions and increased revenue. Freight revenue was up 4%, with all commodity groups showing gains, while operating expenses increased just 3% despite an increase in volume and sharply higher fuel prices. The ratio of operating expenses to revenue, a key indicator of railroad operating efficiency, improved 1.3 points to 76.9% from 78.2% a year earlier.

Railroad operating income slipped in the fourth quarter to US\$155 million, down US\$14 million, or 8%, largely as a result of a Canadian government-imposed cap on grain revenue and lower coal rates.

Revenue in the quarter declined by US\$11 million, or 2%, and operating expenses declined by US\$7 million, or 2%. The operating ratio in the quarter was 74.9% compared with 73.6% in the 1999 fourth quarter. •

## Norfolk Southern Corp.



NORFOLK  
SOUTHERN

Norfolk Southern Corp. reported that its fourth-quarter net income plummeted 84%, citing the impact of a slowing economy, higher fuel prices and a one-time charge against the company's bottom line.

The railroad announced sweeping cost-cutting moves on January 23, and said net income fell to \$5 million in the fourth quarter, down from \$31 million a year earlier. The latest results include a charge of \$39 million from voluntary early retirement and separation programs. Excluding the charge, fourth-quarter earnings were \$44 million.

The company said fourth-quarter revenue, which rose to \$1.52 billion from \$1.49 billion, was not as strong as expected. While general-merchandise revenue increased 2% in the quarter from a year earlier, coal revenue fell 6% due to weak volume.

NS also said that it plans to cut 1,000 to 2,000 employees, retire 12,000 freight cars, close as many as 10 facilities, shed 3,000 to 4,000 miles of rail routes and redesign its train network (see page 7 for related article). •

## Wisconsin Central Ltd.



Wisconsin Central Transportation Corporation (WCTC) reported net income of \$10.6 million for the fourth quarter ended Dec. 31, 2000. Excluding special items, income for fourth quarter 2000 would have been \$13.4 million compared to \$18.3 million for the year-ago quarter.

Excluding special items, the Company's North American operating income for fourth quarter 2000 was \$24.3 million compared to \$25.5 million in the year-ago quarter.

Versus the year-ago period, fourth-quarter 2000 carloads were down 8 percent, reflecting a softer industrial-economic environment. However, North American operating revenues of \$90.9 million were down less than 1 percent from year-ago revenues of \$91.4 million, reflecting a more favorable commodity mix and improved pricing.

Fourth quarter 2000 North American operating expenses before special items were \$66.6 million, a one percent increase compared to \$65.9 million for last year. Increases in fuel expense and depreciation more than offset decreases in many cost categories. Before special items, the operating ratio (operating expenses as a percentage of operating revenues), a measure of efficiency in the railroad industry, was 73.3 percent versus 72.1 percent for the 1999 quarter. •

# BLE SENIOR REPORT

## Tips for filing your Federal income tax

### Answers to commonly asked questions regarding your Railroad Retirement benefits

The following questions and answers describe the statements issued by the Railroad Retirement Board each January for Federal income tax purposes. Railroad retirement beneficiaries needing information about these statements, or tax withholding from their benefits, should contact the nearest office of the Railroad Retirement Board. For further Federal income tax information, railroad retirement beneficiaries should contact the nearest office of the Internal Revenue Service.



benefits and supplemental annuities, are all treated like private and public service pensions for Federal income tax purposes.

In some cases, primarily those in which early retirement benefits are payable to retired employees and spouses between ages 60 and 62, and some occupational disability benefits, the entire annuity may be treated like a private or public pension. This is because social security benefits based on age and service are not

payable before age 62 and social security disability benefit entitlement requires total disability.

For annuities beginning after July 1, 1986, railroad retirement payments exceeding social security equivalent levels are generally taxable under the Internal Revenue Code General Rule or Simplified General Rule. For income tax purposes under these rules, contributory payments are subject to income tax immediately upon retirement, but are prorated to yield a tax-free amount based on an employee's previously-taxed pension contributions.

For railroad retirement annuitants, employee contributions (referred to by the IRS as an employee's investment in the contract (cost)) are considered to be the amount of railroad retirement payroll taxes paid by the employee over and above comparable social security payroll tax rates. Employee contributions are not a payment or income received during the tax year.

However, vested dual benefit payments and railroad retirement supplemental annuities are considered non-contributory and fully taxable. In addition, spouse annuity payments exceeding social security equivalent payments do not include a tax-free amount; these benefits are also fully taxable.

Additional information about the tax treatment of railroad retirement benefits over and above social security equivalent benefits can be found in IRS Publication 575, Pension and Annuity Income, and Publication 939, General Rule for Pensions and Annuities. If the employee died during the tax year, survivors should also refer to these publications because a death benefit exclusion may apply.

#### 4. What information is shown on the railroad retirement tax statements sent to annuitants in January?

One statement, the blue and white Form RRB-1099 (or black and white Form RRB-1042S for nonresident aliens), shows the amount of any social security equivalent or special minimum guaranty payments made during the tax year, the amount of any such benefits that an annuitant may have repaid to the Board during the tax year,

and the net amount of these payments after subtracting the repaid amount. The amount of any offset for workers' compensation and the amount of Federal income tax withheld from these payments are also shown.

The other statement, the green and white Form RRB-1099-R (for both U.S. citizens and nonresident aliens), shows the total amount of contributory railroad retirement benefits over and above social security equivalent benefits, plus any noncontributory vested dual benefits and/or supplemental annuities paid to the annuitant during the tax year, as well as the amount of an employee's railroad retirement payroll tax contributions. Also shown is the amount of Federal income tax withheld from these payments. In addition, the statement reflects the amount of any benefits that an annuitant may have repaid to the Board during the tax year. However, this amount has not been subtracted from the gross amounts shown because its treatment depends on the years to which the repayment applies and its taxability in those years. To determine the year or years to which the repayment applies, annuitants should contact the Board.

The total Part B Medicare premiums deducted from the railroad retirement annuity may also be shown on either Form RRB-1099 (Form RRB-1042S for nonresident aliens) or Form RRB-1099-R.

Copy B and/or Copy 2 of Form RRB-1099-R needs to be submitted with a tax return. Annuitants should retain copy C of all statements for their records, especially if they may be required to verify their income in connection with other Government programs.

#### 5. Does Form RRB-1099-R show the taxable amount of any contributory railroad retirement benefits or just the total amount of such benefits paid during the tax year?

Since 1993, only the total amounts of contributory railroad retirement benefits paid over and above social security equivalent benefits are shown. Tax-free amounts are no longer subtracted.

Annuitants may continue to use the tax-free amounts previously calculated by the Railroad Retirement Board under the General Rule method if they wish to do so. However, use of this Board-computed tax-free amount precludes using alternate tax treatments, such as the Simplified General Rule, that may be more advantageous in some cases.

Annuitants wishing to consider alternate tax treatments should refer to the IRS-1040-1 package issued each year and/or IRS Publication 575, Pension and Annuity Income. Annuitants preferring to compute the tax-free amount themselves under the General Rule method, or to verify the Board's figures, should refer to IRS publication 939, General Rule for Pensions and Annuities.

#### 6. What other information is included with the railroad retirement benefit statements?

Included with the statements are detailed explanations of all the items on the statements and the toll-free telephone number of the Internal Revenue Service.

#### 7. What if a person receives social security as well as railroad retirement benefits?

Railroad retirement annuitants who also received social security benefits during the tax year receive a Form SSA-1099 (or Form SSA-1042S if they are nonresident aliens) from the Social Security Administration. They should add the net social security equivalent or special guaranty amount shown on Form RRB-1099 (or Form RRB-1042S) to the net social security income amount shown on Form SSA-1099 (or Form SSA-1042S) to get the correct total amount of these benefits. They should then enter this total on the Social Security Benefits Worksheet in the instructions for Form 1040 or 1040A to determine if their social security and railroad retirement social security equivalent benefits are to be considered as taxable income.

Additional information on the taxability of these benefits can be found in IRS Publication 915, Social Security and Equivalent Railroad Retirement Benefits.

#### 8. Are the residual lump sums, lump-sum death payments or separation allowance lump-sum amounts paid by the Railroad Retirement Board subject to Federal income tax?

No. These amounts are not subject to Federal income tax.

#### 9. Are Federal income taxes withheld from railroad retirement annuities?

Yes, and the amounts withheld are shown on the statements issued by the Board each year. However, an annuitant may request that Federal income taxes not be withheld, unless the annuitant is a nonresident alien or a U.S. citizen living outside the United States.

Annuitants can voluntarily choose to have Federal income tax withheld from their social security equivalent payments. To do so, they must complete IRS Form W-4V, Voluntary Withholding Certificate, and send it to the Board. They can choose withholding from their social security equivalent payments at the following rates: 7 percent, 15 percent, 28 percent, or 31 percent.

Annuitants who wish to have Federal income taxes withheld from the portions of their annuity over and above social security equivalent benefits must complete a tax withholding election on Form RRB W-4P, Withholding Certificate For Railroad Retirement Payments, and send it to the Board. An

#### 1. How are the annuities paid under the Railroad Retirement Act treated under the Federal income tax laws?

In most cases, part of a railroad retirement annuity is treated like a social security benefit for income tax purposes, while other parts of the annuity are treated like private and public service pensions for tax purposes. Consequently, most annuitants are sent two tax statements from the Railroad Retirement Board each January, even though they receive only a single annuity payment each month.

#### 2. Which railroad retirement benefits are treated as social security benefits for Federal income tax purposes?

The part of a railroad retirement annuity equivalent to a social security benefit based on comparable earnings is treated for Federal income tax purposes the same way as a social security benefit. The amount of these benefits that may be subject to Federal income tax, if any, depends on the beneficiary's income.

If adjusted gross income plus non-taxable interest income and half of the social security equivalent benefit payments exceed:

- \$25,000 for an individual, \$32,000 for a married couple filing jointly, and zero for a married individual who files separately but lived with his or her spouse any part of the year, up to 50 percent of these railroad retirement benefit payments may be considered taxable income;

- \$34,000 for an individual, \$44,000 for a married couple filing jointly, and zero for a married individual who files separately but lived with his or her spouse any part of the year, up to 85 percent of these benefits may be taxable.

#### 3. Which railroad retirement benefits are treated like private and public service pensions for Federal income tax purposes?

Railroad retirement annuity payments exceeding social security equivalent payments, plus any vested dual

# INDUSTRY NEWS BRIEFS

## Norfolk Southern to cut 2,000 jobs

NORFOLK, Va. — Norfolk Southern Corp. will eliminate 1,000 to 2,000 jobs over the next year and dispose of 12,000 surplus freight cars to help reduce costs and improve financial performance amid a slowing economy, the company announced on January 23.

The moves are part of a restructuring in response to an economic slowdown and changes in transportation markets, said David R. Goode, chairman, president and chief executive officer.

The job reduction will be in addition to the layoffs and early retirements that affected 3,500 jobs last year and reduced the number of employees to 33,000, spokesman Frank Brown said. It was unclear whether the jobs will be eliminated through cuts, early retirements or a combination of methods, he said.

The company also plans to redesign its service network with help from the railroad consulting firm MultiModal Applied Systems; sell or abandon 3,000 to 4,000 underutilized or duplicate track miles, or about 10 per-

cent of its total track miles, over the next two years; and consolidate or dispose of up to 10 underutilized or redundant support facilities, such as yards, shops or production facilities. •

## Two cities split maglev funding

WASHINGTON — The race to build the nation's first magnetic levitation railroad has narrowed to projects proposed for Pittsburgh and the Washington-Baltimore area.

Transportation Secretary Rodney Slater announced the awards on January 18, selecting the projects from seven competing for the money. His successor, Norm Minetta, will pick the winner to receive millions of dollars in federal support.

The futuristic maglev trains can operate at up to 240 miles per hour.

Slater said the government will split \$14 million between the two programs for environmental impact assessments and continued planning. The final winner could receive as much as \$950 million in federal aid.

The cities of Baltimore and Washington are among eight U.S. cities bidding for the 2012 Olympic Games and local officials have hoped that landing the maglev project would enhance their chances.

The second project, organized by the Port Authority of Allegheny County, Pa., proposes a 45-mile line linking Pittsburgh International Airport to Pittsburgh and its eastern suburbs.

Slater said the aim is to demonstrate the technology that can become the backbone of transportation in the nation's most densely populated regions. Maglev can become a competitor for short haul airlines and highway commuting, he said. •

## CN plans \$1.2 billion purchase of Wisconsin Central

MONTREAL — Unsuccessful in its attempt to merge with a big U.S. railroad, Canadian National Railway is going after a smaller one. CN said on January 30 it has reached a deal with Wisconsin Central Transportation Corp. to ac-

quire the railway for US\$1.2 billion.

Last year, U.S. regulatory authorities rejected CN's plan to merge with the giant Burlington Northern-Santa Fe Railway and announced a moratorium on such major transport combinations.

CN said its board and that of Wisconsin Central have endorsed a merger in which CN would pay \$17.15 US for each WC share. The takeover cost includes US\$400 million in WC debt.

Under a 1998 agreement, WC already hauls CN freight between Superior and Chicago.

The transaction is expected to add modestly to CN's earnings in the first year after approval and increasingly thereafter.

CN Chief Executive Paul Tellier called the WC merger "a simple, straight forward, pro-competitive, end-to-end combination. Not a single 'two-to-one' point will arise in the U.S. as a result of the merger, and there will be no other significant adverse impacts on competition.

WC has 2,850 miles of track and trackage rights in Wisconsin, Illinois, Minnesota, Michigan's Upper Peninsula and Ontario. •

## ILA, MM&P join AFL-CIO's TTD

WASHINGTON — The Transportation Trades Department, AFL-CIO (TTD) announced on January 16 that the International Longshoremen's Association (ILA) and the International Organization of Masters, Mates & Pilots (MM&P) have become affiliated members of the TTD.

TTD was created in 1990 to advance a comprehensive transportation labor policy agenda for the several million union workers employed in aviation, rail, transit, trucking, highway, longshore and related industries.

With the two new affiliates, TTD's membership now includes 32 AFL-CIO unions that represent transportation workers in every transportation sector.

The ILA is the largest union of maritime workers in the United States, representing some 65,000 longshoremen.

The International Organization of Masters, Mates and Pilots represents 6,800 members.

The BLE welcomes these new Brothers and Sisters into the TTD. •

## Income Tax

Continued from Page 6

annuitant is not required to file Form RRB W-4P. If that form is not filed, the Board will withhold taxes only if the combined portions of an individual's annuity over and above social security equivalent benefits exceed \$1,266.35 in 2001. In that case, the Board withholds taxes as if the annuitant were married and claiming three allowances.

### 10. How is tax withholding applied to the railroad retirement benefits of nonresident aliens?

Under the Internal Revenue Code, nonresident aliens are subject to a 30-percent tax on income from sources within the United States not connected to a U.S. trade or business. The 30-percent rate applies to all annuity payments exceeding social security equivalent payments and to 85 percent of the annuity portion treated as a social security benefit. The Code also requires the Board to withhold the tax. The tax can be at a rate lower than 30 percent or can be eliminated entirely if a tax treaty between the United States and the country of residence provides such an exemption, and the nonresident alien completes and sends Form RRB-1001, Nonresident Alien Questionnaire, to the Board. Form RRB-1001 secures citizenship, residency and tax treaty claim information for nonresident beneficiaries (nonresident aliens or U.S. citizens residing outside the United States).

Form RRB-1001 is sent by the Board to nonresident aliens every three

years to renew the claim for a tax treaty exemption. Failure by a nonresident alien to complete Form RRB-1001 will cause loss of the exemption until the exemption is renewed. Such renewals have no retroactivity. Also, effective January 1, 2000, a nonresident alien must include his or her United States taxpayer identifying number on Form RRB-1001. Otherwise, any tax treaty exemption claimed on the form is not valid. The majority of nonresident aliens receiving annuities from the Board are citizens of Canada, which has a tax treaty with the United States.

If a Canadian citizen claims an exemption under the tax treaty, no tax is withheld from the annuity portion equivalent to a social security benefit and a withholding rate of only 15 percent is applied to those annuity payments exceeding social security equivalent payments.

Additional information concerning the taxation of nonresident aliens can be found in IRS Publication 519, U.S. Tax Guide for Aliens.

### 11. Are unemployment benefits paid under the Railroad Unemployment Insurance Act subject to Federal income tax?

All unemployment benefit payments are subject to Federal income tax. Each January the Board sends Form 1099-G to individuals, showing the total amount of railroad unemployment benefits paid during the previous year.

### 12. Are sickness benefits paid by the Railroad Retirement Board subject to Federal income tax?

Sickness benefits paid by the Board, except for sickness benefits paid for on-the-job injuries, are subject to Federal income tax under the same limitations and conditions that apply to the taxation of sick pay received by workers in other industries. Each January the Board sends Form W-2 to affected beneficiaries. This form shows the amount of sickness benefits that each beneficiary should include in his or her taxable income.

### 13. Does the Board withhold Federal income tax from unemployment and sickness benefits?

The Board withholds Federal income tax from unemployment and sickness benefits only if requested to do so by the beneficiary. A beneficiary can request withholding of 15 percent of his or her employment benefits by filing Form W-4V with the Board. A beneficiary can request withholding from sickness benefits by filing Form W-4S.

### 14. Are railroad retirement and railroad unemployment and sickness benefits paid by the Board subject to State income taxes?

The Railroad Retirement and Railroad Unemployment Insurance Acts specifically exempt these benefits from State income taxes.

### 15. Can a railroad employee claim a tax credit on his or her Federal income tax return if the employer withheld excess railroad retirement taxes during the year?

If any one railroad employer withheld more than the annual maximum amount, the employee must ask that

employer to refund the excess. It cannot be claimed on the employee's return.

### 16. Can a railroad employee working two jobs during the year get a tax credit if excess retirement payroll taxes were withheld by the employers?

Railroad employees who also worked for a nonrailroad social security covered employer in the same year may, under certain circumstances, receive a tax credit equivalent to any excess social security taxes withheld.

Employees who worked for two or more railroads during the year, or who had tier I taxes withheld from their Railroad Retirement Board sickness benefits in addition to their railroad earnings, may be eligible for a tax credit of any excess tier I or tier II railroad retirement taxes withheld. The amount of tier I taxes withheld from sickness benefits paid by the Board is shown on Form W-2 issued to affected beneficiaries. Employees who had tier I taxes withheld from their supplemental sickness benefits may also be eligible for a tax credit of any excess tier I tax. Such tax credits may be claimed on an employee's Federal income tax return.

Employees who worked for two or more railroads, received sickness benefits or had both railroad retirement and social security taxes withheld from their earnings, should see IRS Publication 505, Tax Withholding and Estimated Tax, for information on how to figure any excess railroad retirement or social security tax withheld. •

# BLE NEWS

## Rail labor launches 2001 campaign for Railroad Retirement improvements

### H.R. 180

Continued from Page 1

such meetings to take place, because Congress has very few legislative days scheduled before March 1.

The goal is to have a bipartisan bill essentially identical to last year's introduced by the end of March, co-sponsored by the appropriate House and Senate Committee Chairmen and Ranking Members, with the acknowledged support of President Bush.

Thanks to the unprecedented outpouring of letters and phone calls last year by rail workers and retirees, the groundwork has definitely been laid. There is not a returning member of Congress who is not familiar with our issue. For that reason, the Coalition believes now is not the time to begin bombarding Congress with calls and letters. That time will come, probably when a bipartisan leadership bill is introduced.

Many of you know that retiring Representative Bud Shuster (R-PA) already submitted a bill — H.R. 180 — that mirrors the bill that passed the House last year. Because of the retirement of its key sponsor, there is a strong chance that it will not be the ultimate bill that the Coalition advances. Rail labor and management all agree that whatever the ultimate bill is, it will include all of the elements agreed to last year.

That means the bill will:

- reduce the age to receive a full annuity from 62 to 60 with 30 years of service;
- improve surviving spouse benefits so that surviving spouses would inherit the full Tier II annuity of the deceased retiree instead of the current 50 percent of the retiree's annuity;
- reduce vesting from ten to five years; remove artificial caps on benefits that penalize long-term employees who left the industry;
- reduce carrier taxes by an equivalent amount; and
- require the carriers to insure that

the Railroad Retirement Account maintains a sufficient fund-to-benefit ratio in the future by agreeing to automatic future tax hikes if necessary.

In addition, the carriers represented by the National Carriers' Conference Committee stand by the agreement that when such legislation is enacted, they will provide retiree health insurance at age 60 instead of the current age 61, and annually increase the existing \$75,000 cap on benefits by the rate of medical inflation.

These increased benefits and reduced taxes will be made possible by allowing the money contributed to the fund in excess of social security to be invested in non-governmental securities, using prudent investment standards, as every other pension plan already does. The Railroad Retirement Board Actuary has already updated the projections based on the year delay, and concluded that fund solvency will be unaffected.

All of the unions in REIP are pledged to work together with a common voice and common goal — passage of railroad retirement reform this year. To that end, BLE members will receive regular updates through all BLE media sources.

Unions participating in REIP are: Amalgamated Transit Union; American Train Dispatcher Department — BLE; Brotherhood of Locomotive Engineers; Brotherhood of Railroad Signalmen; Hotel Employees & Restaurant Employees International Union; International Association of Machinists; International Brotherhood of Boilermakers; International Brotherhood of Electrical Workers; International Longshoremen's Association; Iron Workers International; National Conference of Firemen and Oilers — SEIU; Seafarers International Union; Service Employees International Union; Sheet Metal Workers' International Association; Transport Workers Union; Transportation Communications International Union; and UTU.

No unions are opposing the campaign. •

## FEBRUARY 2001 CALENDAR & EVENTS

### MAY 30-JUNE 2, 2001... 61st Annual International Western Convention, Denver.

Come to Denver for the "Mile High" convention where a room rate of \$105 per night has been secured at the Hyatt-Regency Tech Center, good for three days before and after the convention. To receive this discount rate, hotel reservations must be made by May 6, 2001, at (800) 233-1234. Reduced airline fares via United Airlines are available through Travel Organizers by calling (800) 283-2754. There will be a golf tournament, tour of the Denver Mint, Ocean Journey, Denver botanical gardens, and a barbecue at the Colorado Railroad Museum. Questions should be directed to IWC Chairman Skip Colyer by phone (970) 225-9716, by fax (970) 223-5794, or by e-mail <BofLE2001@aol.com>.

### JUNE 24-28, 2001... 74th Southeastern Meeting Association in Pine Mountain, Ga.

Chairman W.J. Spriggs Jr. and members of BLE Division 779 (Manchester, Ga.) are hosting this year's convention at Callaway Gardens resort. Members interested in attending can contact Brother Spriggs at (706) 989-0064.

### AUGUST 20-24, 2001... Eastern Union Meeting Association in Atlantic City, N.J.

At the Tropicana Hotel & Casino in Atlantic City, N.J. Conference registration begins at 3 p.m. on Monday, August 20, and hotel check-out is Friday, August 24. A room rate of \$105 per night has been secured throughout the conference, as well as a one-time valet parking fee of \$2. Room reservations can be made by calling (800) 247-8767. Those calling must state they are attending the "Eastern Union Meeting Association of the Brotherhood of Locomotive Engineers." Further details to come when available. Please direct questions to EUMA Arrangements Chairman Sonny Kertes at (732) 458-7642 or <sonny912@aol.com>.

### SEPTEMBER 24-28, 2001... BLE Seventh Quinquennial International Convention

At the Fontainebleau Hotel in Miami, Fla. More details to come when available.

## Advisory Board January Activity


By action of the delegates at the Fifth Quinquennial Convention, summaries of BLE Advisory Board members' activities are published monthly:

**International President Edward Dubroski**—International Office: General supervision of BLE activities; Publications committee; Division 155 (Decatur, Ill.) mtg.; National Legislative Board mtg.; Cooperating Railway labor Organizatins mtg.; Mtg. w/ Conrail GC Godwin and Division 3 LC Fitzgerald; Conference call w/ UP GC and VPs assigned to them; Union Pacific strike supervision.  
**First Vice-President & Alternate President James L. McCoy**— FVP duties, contacted GCofAs, SLBCs, telephone calls, correspondence, etc...; Publications Committee mtg.; National Legislative Board mtg.; CRLO mtgs.; Conf. call UP GC & VPs.  
**General Secretary-Treasurer Russ Bennett**—International Office: Supervision of BLE Financial depts.; Records Dept.; BLE Job Bank; Publications Cmte.; National Legislative Board mtg.  
**Vice-President Paul T. Sorrow**—Assisted CSX, NS and GTW committees in handling various issues; Div. mtgs. 803, 463; NS work/rest committee mtg.; NS-northern lines arbitration cases; CSX arbitration Art. 1, Sec. 4, New York Dock; Assisted GTW committee in studying and reviewing Finance Dockets; Reviewed cases for PLBs and executed awards; General office duties.  
**Vice-President Joseph A. Cassidy Jr.**— Holiday; Amtrak; Work on SBA 928; Mtg. w/ General Chairman Kenney; Mtg. w/ new General Chairman Hall; Elgin, Joliet & Eastern Rwy.; Hearing of PLB 6360; Mtg. w/ members of Div. 520; General office duties; Paperwork; New York Susquehanna & Western contract dispute; Mtg. w/ Amtrak Western Regional Chairman Hansen; Write Ex Parte submission, Amtrak.  
**Vice-President & U.S. Nat'l Legislative Representative Leroy D. Jones**—Washington office; 107th Congress convenes; Attend swearing-in ceremonies for Cong. Moore (D-KS), Hold (D-NJ), McCarthy (D-MO), Pallone (D-NJ), Hooley (D-CA), Kennedy (D-RI), Langevin (D-RI), Schiff (D-CA), Israel (D-NY), Ross (D-AR), Matheson (D-UT), Wu (D-OR), McGovern (D-MA); Senators Carper (D-DE), Stabenow (D-MI), Carnahan (D-MO), Sarbanes (D-MD), Feigned (D-WI), Cantwell (D-WA), Nelson (D-NE), Bayh (D-IN), Nelson (D-FL), Clinton (D-NY); Attend reception for women Senators; TRB mtg.; TTD/Rail Div. mtg.; Reception Senators Baucus (D-MT), Daschle (D-SD), Johnson (D-LA), Landrieu (D-LA), Jeffords (R-VT); AFL-CIO Political Directors mtg.; AFL-CIO legislative mtg.; HSR government relations cmte.; Railroad Retirement reform coalition mtg.; National Legislative Board mtg.; AFL-CIO 2000 regional briefing; AFL-CIO adm. mtg.; TTD leg. mtg.; Mtg. w/ House T&I staff, re: RR reform legislation; Reception for Democratic members of Congress; Kansas Day Congressional reception; AFL-CIO mtg. w/ Cong. Gephardt (D-MO), Lowey (D-NY); Reception for Cong. Quinn (R-NY).  
**Vice-President William C. Walpert**—ID Office; BLE Education & Training Dept.; Internal Organizing, Mobilizing & Strategic Planning Dept.; BLE Safety Task Force; Preparation for local chairmen's workshop at Meany Center, Silver Spring, MD; 3rd party to PLB 6192, Kansas City, Mo.  
**Vice-President Edward W. Rodzicz**— Norfolk Southern-Eastern region, Imperial; Special Board of Adjustment 894; Award 1666; Vacation; Assignment under direction of President Dubroski, Cleveland.  
**Vice-President Don M. Hahn**— BNSF system including MRL, UP South & West, SP East & South, SSW, DLGW, Tacoma Belt, Pac Harbor Belt; General office duties; BNSF seniority mtg., Kansas City Terminal; BNSF wage/rules mtgs., Ft. Worth; UP seniority arbitration mtg. w/ GC Gil Gore, Chicago; MRL remote & section 6 notices; Town Hall mtg. w/ BLE Division 443, Spokane, w/ GC Donigan, Portland Zone 2 & 3 implementing agreement; Santa Fe ebb & flow mtg., KC Terminal.  
**Vice-President Richard K. Radek**— International Office; BLE Decertification Helpline services; Director of Arbitration Dept; National Railroad Adjustment Board (NRAB); Illinois Central; Wisconsin Central; Indiana Harbor Belt; METRA; Belt Rwy. of Chicago; Paduca & Louisville; Chicago Central & Pacific; WC general committee special mtg., tentative CBA; CC&P special division mtgs.; Special Board of Arbitration, UP; Special division mtgs., WC, tentative CBA, (Green Bay, Wisc.; Hawthorne, Ill.; Freeport, Ill.; Waterloo, Iowa; Escanaba, Mich.; Schiller Park, Wisc.; Fond du Lac, Wisc.; Stevens Pt., Wisc.; Neenah, Wisc.); NRAB arbitration, various; Implementation mtgs., METRA, engineer trainer agreement; FRA Part 240.409 dockets this month: EQAL 99-37, 98-67, 97-65..  
**Vice-President Dale McPherson** — I&M Rail Link; CP Rail/SOO, UP East Lines; Indiana Railroad Co.; M&NA; LP&N, Longview Sw. Co. TRRA-St. Louis; Pacific Harbor Line; General office duties; UP work/rest mtgs, Gen. Chr. M.A. Young; Mtgs., CP Rail Section 6 notices w/ M.D. Priester; Telephone, re: UP PL day dispute; Mtgs. concerning PL day dispute-UP.  
**Vice-President & Canadian Director Gilles Hallé**—Ottawa office; CN Rail national negotiations; Via Rail arbitration; BLE Division meeting in Monte-Jolie.  
**Vice-President & National Legislative Representative-Canada T. George Hucker**—Ottawa Office; Canadian National Legislative Board; Mtg. w/ Harbour Commission; Office work; Div. 562 retirement banquet; Core disability management cmte. mtg.; Mtg. w/ CPR; National Legis. Bd. exec. cmte. mtg.; CPR CTA review cmte.; Mtg. w/ NLB accountant; Mtg. w/ Dale Jackson, Algoma Central GC; Holiday.

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