

THE LOCOMOTIVE ENGINEER NEWSLETTER • MAY 2001

138 years and going strong

Total BLE membership tops 60,000

The Brotherhood of Locomotive Engineers marked its 138th anniversary on May 8 in the midst of a four-year growth streak.

North America's senior labor organization, the BLE was founded as the Brotherhood of the Footboard on May 8, 1863, in Marshall, Mich. Union leaders changed the name of the organization one year later to the current title.

Today, the BLE shows impressive growth despite a slowing U.S. economy. Overall membership in the BLE has grown each month for



Dubroski

48 of the past 51 months, including the past eight months in a row. The BLE has initiated an average of 244 new members per month for the past 11 months in a row.

Total active and retired membership is now more than 57,600. When factoring in the 2,500 members of the American Train Dispatchers Department of the BLE,

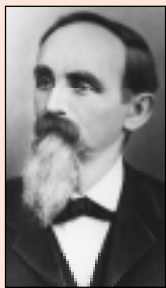
total membership is now more than 60,100.

In 1863, 12 locomotive engineers representing the Michigan Central, Michigan Southern & Northern Indiana, Detroit & Milwaukee, Grand Trunk, and the Michigan Southern railroads sent delegates to draft a constitution which combined democratic control with efficient central administration to form the Brotherhood of the Footboard.

The delegates elected William D. Robinson to head the organization.

"This is a special day for the Brotherhood of Locomotive Engineers and the American labor movement," said BLE President Edward Dubroski.

"BLE members should take a moment out of their day to reflect upon the sacrifices and struggles of those who came before us, and how we have benefited from their efforts."



Robinson

Support grows for H.R. 1140, S. 697

BLE International President Edward Dubroski met with top GIA officers this month at the BLE's National Legislative Offices in Washington, D.C., to coordinate lobbying efforts for the Railroad Retirement & Survivors' Improvement Act of 2001.

President Dubroski met with GIA officers Mabel Grotzinger, GIA First Vice-President, and Becky B. Schneider, GIA 2nd Vice-President & National Legislative Representative

The legislation, numbered H.R. 1140 in the House, has 356 co-sponsors, while S. 697 has 60 Senate co-sponsors.

Dubroski emphasized the important role GIA members have played in securing co-sponsors for the legislation.

"Justice for railroad widows and widowers is long overdue, and the other Railroad Retirement improvements are well-deserved by our BLE and GIA members," Dubroski said. "The joint legislative effort by the BLE and the GIA is producing results on the Hill, and we all should be proud of the work by Sister Grotzinger and Sister Schneider."



BLE International President Edward Dubroski, center, coordinates lobbying efforts with GIA officers Mabel Grotzinger, left, and Becky Schneider, right, during a recent visit to the BLE's National Legislative Office in Washington, D.C. In the House, H.R. 1140 has 356 co-sponsors, while in the Senate, S. 697 has 60 co-sponsors.

The GIA officers were in Washington, D.C. to lobby Congress for passage of the Railroad Retirement measure. VP Schneider spent a week lobbying in Washington. The BLE and GIA are working in conjunction with other rail labor unions to secure passage of H.R. 1140 and S. 697.

"It was a very positive experience, with everyone working toward the same goal, and we put aside whatever difference we might have had and came together for a common cause," Sister Schneider said.

"We were able to address

the concerns that the legislators had," she said.

She said the bill could face problems in the Senate, as it did last time, but is hopeful the bill will pass.

VP Schneider has only recently moved into the GIA Legislative Representative position, which was formerly filled by GIA 1st VP Grotzinger.

"It's a lot of work, but it's worthwhile work," she said. "Mabel is the one that made it what it is today, and moved it to the point where we feel like we really are making a difference as GIA members." •

Please see Page 8 for Target List of non-cosponsors

BLE, UTU, BNSF create Executive Safety Committee to resolve issues

At an unprecedented "safety summit" held in Kansas City on April 30 by the United Transportation Union (UTU), Brotherhood of Locomotive Engineers (BLE) and the Burlington Northern Santa Fe Railway Co. (BNSF), the presidents of the three organizations agreed to establish an Executive Safety Committee empowered to recommend solutions to improve safety issues on BNSF.

The Executive Safety Committee, comprised of key UTU, BLE and BNSF officials, will be charged with developing a state-of-the-art safety plan and process by August 1. Members of the

Executive Safety Committee are BLE Vice President Dale McPherson, UTU Vice President Rick Marceau, and BNSF Vice President, Transportation David Dealy. The first meeting is scheduled to take place this month.

The original call for the BNSF Safety Summit came on March 14 from UTU International President Byron A. Boyd Jr. After BLE International President Edward Dubroski applauded the safety initiative, Boyd proposed that both unions participate in the summit together along with BNSF President & CEO Matthew K. Rose.

"We each said what was on our

mind and then we all came to a meeting of the minds that the safety of our members and BNSF operating employees must be a top priority," said Dubroski. "We expect this Executive Safety Committee to develop a real-world plan that will work on the BNSF and that accomplishes our major goals. Working together with the UTU at this safety summit showed BNSF just how serious we are."

"By taking these first steps today to create a high-level Executive Safety Committee and committing to a 90-day timeline to develop a plan," said Boyd, "we are telling our members and the

railroad industry that this Safety Summit is about getting real results. Safety goes beyond rivalries between unions and rivalries between those unions and a company. We must do everything in our power to make sure our members go home safely each and every day from their job."

Said Rose, "I am very encouraged by the numerous ideas presented at the Summit. We know that the safety of our employees will be enhanced when all parties involved work to resolve the root cause of injuries and accidents."

See Safety Summit, Page 8

BLE NEWS

BLE supports rail infrastructure bill

After securing important employee protections, the Brotherhood of Locomotive Engineers has agreed to support legislation that would provide \$350 million per year in federal subsidies to rehabilitate Class II and Class III railroad infrastructures.

Known as the Railroad Track Modernization Act of 2001, H.R. 1020 would provide \$350 million per year in grants for each fiscal year 2002-2004 to Class II and Class III railroads to rehabilitate, preserve or improve railroad tracks and bridges for freight transportation, particularly when handling 286,000 pound rail cars.

To secure BLE and other rail labor support, sponsors of the legislation, agreed to a grandfather clause, which prevents Class I railroads from spinning off lines in need of repair or with numerous bridges in an attempt to take advantage of the \$350 million in grants.

The bill also contains employee prevailing wage protections, identical to those provided in the Davis-Bacon Act. The labor protection clauses provide basic pay standards for work performed as a result of H.R. 1020, as well as employee protections for employees who may be adversely affected by any project funded by a subsidy granted by the program.

In addition to the BLE, the Brotherhood of Maintenance of Way Employees and the United Transportation Union are supporting the legislation.

A recent trend among Class I railroads has been a switch to larger rail cars weighing 286,000 pounds. These cars are too heavy for the older tracks used by Class II and Class III railroads. One of the main goals of H.R. 1020 is to upgrade Class II and Class III tracks so they can safely handle the 286,000 pound cars. Without Federal assistance, many Class II and Class III railroads would be unable to upgrade their tracks to carry these heavier cars.

"A substantial amount of traffic on Class I's originates on the Class II and Class III railroads," said BLE International President Edward Dubroski. "This bill will provide much greater job security for the thousands of BLE members who work on Class II and Class III railroads." •

BLE disputes NTSB conclusion of 'crew error' in Conrail fatality

BLE blames faulty signals, not veteran crew, as cause

The BLE Safety Task Force is taking exception to a report released by the National Transportation Safety Board regarding the January 17, 1999, accident in Bryan, Ohio, which took the life of a BLE member.

Engineer Roger Bell, 56, of BLE Division 457 (Toledo, Ohio), was killed when his train hit the rear end of another Conrail train in dense fog. The collision took place at MP 337.2 on the number 1 track on Conrail's mainline of the Dearborn Division, Chicago Line. Conductor and UTU member Raymond E. Corell, 52, was also killed.

The NTSB report concludes that all signals and equipment were functioning properly and, therefore, the train crew was at fault in the accident.

"(T)he probable cause of the this accident was the failure of the crew to comply with restrictive signal indications while operating at or near maximum authorized speed in dense fog," NTSB report determined.

However, the BLE Safety Task Force, in filings before the NTSB decision was reached, noted that prior to the accident, some engineers reported that the signals in question may not have been properly working. This information was reported to the carrier, but Conrail did not report it to the Federal Railroad Administration.

In fact, a signal just west of the point of impact was reported dark less than 24 hours after the accident. In addition, there was a false positive reported to Conrail management at MP

338.1W —four months prior to the accident — which was not reported to the FRA.

"(T)hroughout the post-accident investigation, many co-workers expressed a great deal of concern that the signals were not working properly, because they believe it was highly unlikely the crew could have missed the indication of the signal," the BLE report stated. "The crews and supervisors in the area stated that the engineer and conductor were the most efficient on the property.

"The cause of this accident may never be fully known or understood," the BLE report continued. "Although we always rely on factual data in accident investigations, the data collected does not adequately address why both crew members with close to 30 years experience would strike the rear-end of a train going 58 mph. The crew had an excellent work record as presented by everyone interviewed."

The BLE report further noted that Conrail, over the years, has had the lowest amount of false positives reported to the FRA in the industry. The Safety Task Force concluded, "Signals that have been reported problems should have a standard procedure to make sure they are corrected and followed up. There has to be a better method of accountability and follow up when defects are reported."

The Safety Task Force concluded that the cause of the accident could have been signal failure and not train

crew error, as the NTSB concluded.

BLE members familiar with the crew and the specific area of track where the collision occurred disputed the NTSB's findings in an article published in the *Toledo Blade* newspaper.

"Knowing the crew, I don't think it happened that way," said Kevin Campbell, former local chairman of BLE Division 457 (Toledo) and a retired Conrail engineer who worked the Chicago-Toledo run earlier the day of the fatality. "There had to be something else involved."

Mike Handy, a member of BLE Division 4 (Toledo) and a student engineer under Brother Bell's guidance until several weeks before the crash, told the *Toledo Blade* that the veteran engineer stressed constant vigilance while working on the railroad, especially in fog.

"It does only take a second to miss a signal," said Handy, who is now a Norfolk Southern engineer. "But you've got two guys up there who each had 30 years experience. I don't believe they missed the signals. Even if you just think you may have missed a signal, you slow down."

In its report, the NTSB issued a safety recommendation to the BLE, asking BLE to advise its members of the importance of complying with operating rules in reduced visibility conditions. The NTSB also concluded that a back-up safety system, such as positive train separation, would have helped prevent the collision. •



FRA issues Safety Advisory for angle cocks

The Federal Railroad Administration (FRA) published Safety Advisory 2001-03, which warns of a potential safety problem with angle cocks manufactured by Ellcon-National. The Advisory was published in the May 1 Federal Register, at pages 21811-12.

The Safety Advisory includes the following information:

"Recently, FRA was informed by the Association of American Railroads (AAR) of several in-service failures of

certain Ellcon-National angle cocks, Model 7000 Thread-to-Thread, and Model 7270 Thread-to-Flange. No injuries or fatalities resulted from these incidents which involved several car types, but some of the subject angle cocks have been found to have rotated partially or completely closed due to en route vibrations of the train. This undesired rotation of the angle cock has been identified by crew members in several instances on trains while operat-

ing en route and in one case, necessitated the need to activate an emergency brake application from the two-way end-of-train (EOT) device."

Copies of the Safety Advisory have been mailed to all U.S. General Chairmen and State Legislative Board Chairmen.

A PDF version of the Safety Advisory can found on the BLE website at: <http://www.ble.org/pr/news/FRA2001-03.pdf> •

Safety program seeks information on near hits at UP's highway-rail grade crossings

Former BLE Wyoming State Legislative Board Chairman Kevin McCarthy reports that the BLE is working to record near hits at highway-rail grade crossings across the entire Union Pacific system.

The BLE is working in conjunction with the Union Pacific Railroad, the Federal Railroad Administration and the United Transportation Union on the safety project.

The goal is to create a database of information to assist in analyzing unsafe areas and preventing accidents on the UP system.

BLE and UTU members will receive near hit post-cards in their crew packs, which they are asked to fill out and mail to report any near hits they encounter while on duty.

In addition to the post cards, members can call a

toll-free number to report near hits. That number is (800) 892-1283.

The joint program is the result of a SACP sub-committee. SACP stands for "Safety Assurance and Compliance Program."

Brother McCarthy reports the group had its initial meeting in March and has another scheduled for May. •

CARRIER INCOME REPORTS

Burlington Northern-Santa Fe



Burlington Northern Santa Fe boosted its first-quarter revenues slightly, thanks mainly to strong demand for shipments of soybeans and winter wheat.

But the 1.3 percent increase in revenues, to \$2.29 billion from \$2.26 billion, was not enough to overcome a 22 percent increase in fuel costs, a 4.4 percent increase in labor expenses and declining demand for auto shipments and a slower economy.

As a result, the company earned \$134 million, or 34 cents per share, in the first quarter — a drop of 44.9 percent from the \$243 million, or 55 cents per share, in the same period a year ago.

Excluding one-time items, the company would have reported earnings of \$180 million, or 46 cents per share — a decline of 25.9 percent from the same period a year earlier.

BNSF's first-quarter operating profit — profit before interest, taxes and accounting items — declined to \$419 million, down from \$510 million in the same period in 2000. •

Canadian Pacific Railway



**CANADIAN
PACIFIC
RAILWAY**

Canadian Pacific Railway is eliminating 500 jobs and taking other cost-cutting measures after it reported the weakest first-quarter results among the divisions of parent Canadian Pacific Ltd.

The railway's earnings fell to \$68-million from \$85-million a year earlier, whereas the other four operating divisions posted gains.

The railway's operating ratio, a key measure of efficiency, jumped 3.9 points in the quarter to 83.4%. By comparison, rival Canadian National Railway Co.'s was 72.5% in the first three months.

Grain, industrial products and intermodal revenue was up, but coal, sulfur and fertilizer, forest products and automotive were down.

CPR will trim about 500 jobs through attrition, cancelled contracts and layoffs as it aims to hit a low-70s operating ratio for the year. CPR had about 17,500 employees at the start of the year. The slowing economy, bad winter weather that resulted in more accidents and higher fuel prices conspired to increase expenses 5.6% year-over-year at CPR. •

Kansas City Southern Industries, Inc.



Kansas City Southern Industries Inc. reported that its first-quarter profit from continuing operations, and before one-time items, slumped 39 percent as its costs soared because of derailments.

The railroad, which was also hit by reduced demand for its freight services in the U.S., said its profit — before debt retirement costs and the impact of a change in accounting policy — dropped to \$6.3 million, or 11 cents per share, from \$10.4 million, or 18 cents in the year-earlier period.

Its revenues dropped to \$144.0 million from \$148.9 million, while costs and expenses climbed to \$123.5 million from \$116.6 million. Casualty and insurance costs rose \$8.5 million, mainly due to several major derailments and the settlement of personal injury claims. The railroad's derailment expense in the first quarter nearly exceeded the entire year of 2000, the company said.

KCS said the derailments had also led to higher car costs, which rose by about \$3.8 million from a year ago.

Income from the company's U.S. operations per diluted share was nil compared with 12 cents a share a year earlier.

KCS said its main source of earnings in the quarter was its 37 percent stake in Mexico's Grupo Transportacion Ferroviaria Mexicana S.A. Its earnings from that source climbed to \$11.1 million from \$8.2 million. •

Union Pacific Corp.



Union Pacific Corp. said that it met analysts' estimates for first quarter earnings of 72 cents a share, despite a sluggish economy. The company reported net income of \$181 million for the Jan. 1-March 31 period.

That's down slightly from the \$185 million, 74 cents a share, in the first quarter a year ago.

Operating revenues were \$2.94 billion, up slightly from \$2.91 billion a year ago. Shipping of commodities, such as agricultural products and coal, and intermodal services and shipping to Mexico increased.

However, hauling of economically sensitive commodities, such as automobiles and chemicals, tied to the auto industry and home building, and industrial products all decreased. Expenses increased 2 percent to \$2.5 billion from last year's first quarter. That hike was driven largely by fuel prices that were \$35 million higher than year-earlier levels and inclement winter weather.

UP said two-thirds of the 2,000 job eliminations announced last December will be completed by the end of the second quarter with attrition to continue throughout the year. UP said it will focus on a \$1 billion West Coast market with new shipping options. •

Canadian National Railway



Canadian National Railway reported first-quarter net income of C\$202 million (US\$130 million), or C\$1.03 a share, up 3% from the comparable period a year earlier.

CN President Paul Tellier said the company posted higher revenue, net income and earnings per share, despite harsh winter weather and "pockets of weakness in the North American economy."

The results don't include a US\$47 million after-tax gain from the sale of CN's half-share in Detroit River Tunnel Co. The company had net income of US\$126 million in the first quarter of 2000.

Operating income was essentially flat for the quarter at US\$248 million. CN's operating ratio, a key indicator of a railroad's health, rose to 72.5% from 72.2%.

Revenue in the quarter rose 2% to US\$901 million, but expenses rose 2% to \$653 million. Carloads were flat at 952,000.

The 2% increase in operating expenses was due mostly to fuel price increases. There were lower expenses for labor and benefits and for purchased services. •

CSX Transportation



CSX Corp.'s first-quarter earnings fell 31 percent, with higher demand for coal shipping offsetting weaker shipping levels for grain and other commodities amid the U.S. economic slowdown.

But the company called coal "a big story" because it helped support first-quarter earnings and appears to be the railroad's main strength moving forward in uncertain economic times.

CSX reported a net income of \$20 million, or 10 cents a share, compared with \$29 million, or 14 cents a share, a year ago. Revenues were flat at \$2.025 billion after \$2.034 billion a year earlier.

CSX's overall traffic levels fell by more than 100,000 loads, or 2 percent, compared with a year earlier, mostly due to the slowing demand in the cooler U.S. economy. The railroad credits its focus on tight cost controls combined with good service for its ability to make prices stick and improve revenues, despite fewer carloads moved. CSX said the number of carloads carrying automotive merchandise fell 20 percent, but carloads carrying coal rose 9 percent.

CSX cut 670 jobs through attrition during the quarter and took 250 rail cars out of service to help cut costs. •

Norfolk Southern Corp.



Norfolk Southern Corp.'s first-quarter income more than quadrupled as it trimmed costs and as high natural gas prices boosted demand for coal.

The company reported first quarter income of \$61 million, or 16 cents a share, before special items, compared with \$14 million, or 4 cents a share, a year earlier. The railroad's revenues rose 2 percent to \$1.54 billion from \$1.51 billion in the year-earlier period.

The railroad reported a one-time gain of \$13 million, or 3 cents a share, from the sale of its subsidiary North American Van Lines Inc. Net income for the 2001 period, including that gain, was \$74 million, or 19 cents a share. That compared with a net loss of \$48 million, or 12 cents a share, a year earlier, which reflected a charge of \$62 million, or 16 cents a share, for work force reductions.

Norfolk Southern cut up to 9 percent of its work force last year and another 4 percent in the first quarter, leaving a total work force of about 31,000 employees. The company still plans on cutting another 1,000 jobs. The railroad slashed its dividend and got rid of 6,700 freight cars in the first quarter, which saved it \$24 million, as part of a restructuring plan to combat the slowing U.S. economy.

Operating expenses for the first quarter fell 3 percent to \$1.34 billion from \$1.38 billion a year earlier, excluding last year's work force reduction charge, due to reduced compensation and benefit costs, the company said. •

Wisconsin Central Ltd.



Wisconsin Central Transportation Corp. reported net income for the first quarter ended March 31 of \$11.6 million (\$.25 per diluted common share) compared to first quarter 2000 net income of \$12.6 million (\$.25 per diluted common share).

The company's North American operating income for first quarter 2001 was \$16.8 million compared to \$18.1 million in the year-ago quarter.

First quarter North American operating revenues of \$92.7 million were a first-quarter record, topping last year's record revenues of \$91.9 million. Coal and wood fibers showed strong gains. First quarter North American operating expenses were \$75.9 million, up 3 percent from last year's \$73.8 million. The operating ratio (operating expenses as a percentage of operating revenues) was 81.9 percent versus 80.3 percent for the year-ago quarter.

The company's first quarter 2001 results included equity in net income of international affiliates of \$5.1 million, an increase of 13 percent compared to the year-ago quarter. The primary international contributions were from the English Welsh & Scottish Railway (EWS), and from Australia's Tranz Rail Holdings Limited (Tranz Rail). •

BLE NEWS

TABLE X — LOCOMOTIVE ENGINEERS
YARD SERVICE 5 DAY — WITHOUT A FIREMAN — \$6.00
Effective July 1, 2001

WEIGHT ON DRIVERS (Pounds)	Daily	Hourly	
		Straight Time	Overtime
less than 500,000	\$167.74	\$20.97	\$31.4513
500,000 and less than 550,000	\$167.99	\$21.00	\$31.4981
550,000 and less than 600,000	\$168.21	\$21.03	\$31.5394
600,000 and less than 650,000	\$168.42	\$21.05	\$31.5788
650,000 and less than 700,000	\$168.64	\$21.08	\$31.6200
700,000 and less than 750,000	\$168.86	\$21.11	\$31.6613
750,000 and less than 800,000	\$169.07	\$21.13	\$31.7006
800,000 and less than 850,000	\$169.29	\$21.16	\$31.7419
850,000 and less than 900,000	\$169.50	\$21.19	\$31.7813
900,000 and less than 950,000	\$169.72	\$21.22	\$31.8225
950,000 and less than 1,000,000	\$169.94	\$21.24	\$31.8638
For each additional 50,000 pounds over 1,000,000 or fraction thereof add:	\$0.215		

TABLE XI — LOCOMOTIVE ENGINEERS
YARD SERVICE 6-7 DAY — WITH A FIREMAN
Effective January 1, 2001

WEIGHT ON DRIVERS (Pounds)	Daily	Hourly	
		Straight Time	Overtime
less than 550,000	\$150.64	\$18.83	\$28.2450
500,000 and less than 550,000	\$150.85	\$18.86	\$28.2844
550,000 and less than 600,000	\$151.03	\$18.88	\$28.3181
600,000 and less than 650,000	\$151.21	\$18.90	\$28.3519
650,000 and less than 700,000	\$151.39	\$18.92	\$28.3856
700,000 and less than 750,000	\$151.57	\$18.95	\$28.4194
750,000 and less than 800,000	\$151.75	\$18.97	\$28.4531
800,000 and less than 850,000	\$151.93	\$18.99	\$28.4869
850,000 and less than 900,000	\$152.11	\$19.01	\$28.5206
900,000 and less than 950,000	\$152.29	\$19.04	\$28.5544
950,000 and less than 1,000,000	\$152.47	\$19.06	\$28.5881
For each additional 50,000 pounds over 1,000,000 or fraction thereof add:	\$0.18		

TABLE XII — LOCOMOTIVE ENGINEERS
YARD SERVICE 6-7 DAY — WITHOUT A FIREMAN — \$4.00
Effective July 1, 2001

WEIGHT ON DRIVERS (Pounds)	Daily	Hourly	
		Straight Time	Overtime
less than 500,000	\$154.64	\$19.33	\$28.9950
500,000 and less than 550,000	\$154.85	\$19.36	\$29.0344
550,000 and less than 600,000	\$155.03	\$19.38	\$29.0681
600,000 and less than 650,000	\$155.21	\$19.40	\$29.1019
650,000 and less than 700,000	\$155.39	\$19.42	\$29.1356
700,000 and less than 750,000	\$155.57	\$19.45	\$29.1694
750,000 and less than 800,000	\$155.75	\$19.47	\$29.2031
800,000 and less than 850,000	\$155.93	\$19.49	\$29.2369
850,000 and less than 900,000	\$156.11	\$19.51	\$29.2706
900,000 and less than 950,000	\$156.29	\$19.54	\$29.3044
950,000 and less than 1,000,000	\$156.47	\$19.56	\$29.3381
For each additional 50,000 pounds over 1,000,000 or fraction thereof add:	\$ 0.18		

TABLE XIII — LOCOMOTIVE ENGINEERS
YARD SERVICE 6-7 DAY — WITHOUT A FIREMAN — \$6.00
Effective July 1, 2001

WEIGHT ON DRIVERS (Pounds)	Daily	Hourly	
		Straight Time	Overtime
less than 500,000	\$156.64	\$19.58	\$29.3700
500,000 and less than 550,000	\$156.85	\$19.61	\$29.4094
550,000 and less than 600,000	\$157.03	\$19.63	\$29.4431
600,000 and less than 650,000	\$157.21	\$19.65	\$29.4769
650,000 and less than 700,000	\$157.39	\$19.67	\$29.5106
700,000 and less than 750,000	\$157.57	\$19.70	\$29.5444
750,000 and less than 800,000	\$157.75	\$19.72	\$29.5781
800,000 and less than 850,000	\$157.93	\$19.74	\$29.6119
850,000 and less than 900,000	\$158.11	\$19.76	\$29.6456
900,000 and less than 950,000	\$158.29	\$19.79	\$29.6794
950,000 and less than 1,000,000	\$158.47	\$19.81	\$29.7131
For each additional 50,000 pounds over 1,000,000 or fraction thereof add:	\$0.18		

NEWS BRIEFS

Judge delays derailment trial

The trial of a 21-year-old man accused of causing a fatal train derailment has been put on hold for one month.

Andrew Goltz was scheduled to plead guilty to causing the Aug. 26, 2000, derailment that led to the death of conductor Brad Davis and severe injuries to locomotive engineer Dennis Baum, employees of the Dakota, Minnesota & Eastern Railroad.

However, a guilty plea would mean Goltz could face a mandatory sentence of life in prison. U.S. District Judge Lawrence Piersol gave Goltz and his attorneys one month to present written arguments. Piersol said he couldn't accept the plea until Goltz knows what penalty he could face.

Goltz has admitted to investigators that he broke a lock off the DM&E switch, moved it and covered a warning reflector with a plastic garbage bag. The diverted track caused a train to plow into parked boxcars, killing Davis and injuring Baum.

Goltz told investigators that he switched the tracks as a prank, but later argued that he was too drunk and high to waive his rights to talk to po-

lice without a lawyer. At the time of the derailment, Goltz said he was taking 20 to 30 over-the-counter motion sickness pills. He said the purposeful overdose produced a hallucinogenic effect. •

House panel rebukes FRA

On April 25, members of a Congressional Subcommittee voiced frustration with the Federal Railroad Administration's (FRA) slow implementation of a loan program created to provide federal assistance for badly needed rail infrastructure improvements.

The Railroad Rehabilitation and Improvement Financing (RRIF) Program was established as part of 1998's Transportation Equity Act for the 21st Century (TEA 21) and authorizes \$3.5 billion in direct and guaranteed loans for rail equipment and infrastructure.

As written, \$1 billion of that total is dedicated to smaller (Class II and Class III) railroads. Since TEA 21's passage, however, regulations enacted by the previous Administration, as well as a June 23, 2000, memo between the Department of Transportation and the Office of Management

and Budget, have crippled the effectiveness of the loan program. Funds have yet to be provided in any Presidential budget proposal to support the program.

The program must be made operative immediately, Chairman Don Young said. •

Hackers shut down STB website

Hackers knocked the Surface Transportation Board's website offline on April 30, leaving it unable to post railroad decisions or use e-mail.

The site was still down five days after the initial incident.

The STB is responsible for oversight of the nation's railroad industry, and sends out rulings on mergers and other railroad activities daily. Their e-mail list has over 2,000 subscribers.

The site also contains news releases, economic statistics and past decisions. It is not known whether any information on the site was altered or destroyed.

STB and government investigators do not yet know who is responsible for the attack, or from what country it originated. •

CSX annual report reveals value of Conway deal

When we last heard of Ronald J. Conway, he was leaving CSX Corp. nearly a year ago as it grappled with safety issues and falling profits.

Conway, a former Conrail Inc. executive, joined CSX amid high hopes he could lead a smooth transition with his old company.

But the whole Eastern rail system got jammed up after the Conrail merger, and Conway became the fall guy.

Last April, Conway left CSX's Jacksonville, Fla., office after profits plummeted.

At the time, there was speculation about how much the company paid Conway to leave. But nobody was saying just how sweet the deal was.

That changed last week when CSX disclosed it paid Conway at least \$1.2 million in cash and stock in a severance agreement. It also increased his pension by 15 percent.

The deal was confidential until it was disclosed in CSX's annual report filed with the U.S. Securities and Exchange Commission.

The package included \$1 million in a combination of

cash, stock and a bonus. Conway got another 9,490 shares around June 30, when the stock was trading at \$21.19, or about \$200,000. •

NS defends plan to shut car shop

Norfolk Southern Corp. defended its plans to close a rail car repair shop that employs 320 people, breaking the promise it made two years ago to keep the shop open.

The Hollidaysburg Car Shop is on NS's Death Row. NS says the facility is a drain, tapping \$7 million from the company last year.

When Conrail was divided two years ago, NS's take included the Hollidaysburg shop. Now, Hollidaysburg is scheduled for shutdown Sept. 1.

But rail labor charges that NS promised to keep work flowing into the shop and to make capital investments, including \$4 million at Hollidaysburg — one promise all sides agree was never kept.

The company acknowledged that it promised to invest \$4 million at the shop, saying that making it now, in sight of the shutdown, would make poor economic sense. •

CANADIAN SPOTLIGHT

BLE helps secure pension improvements for CN workers

At its regular board meeting on April 17, Canadian National Railway's Board of Directors approved pension improvements for Locomotive Engineers and Rail Traffic Controllers, BLE Canadian Director Gilles Hallé announced.

The union representatives unanimously agreed to improvements in the pension formula, as of Jan. 1, 2001, from 1.5%/2% for past and future service for all active unionized employee members of the CN Pension Plan in Canada as of such date. This motion also included improving the pension formula to 1.7%/2% as of Jan. 1, 2002, on the same basis for unionized employee members of the CN Pension Plan in Canada who are active as of Jan. 1, 2002.

All unions (BLE, BMW, CAW, UTU, IBEW and the Police Association) have agreed to use the improvement account money to realize the new benefits. The estimated cost is \$223 million for these changes, which will be distributed to pensioners in direct lifetime monthly pension increases.

"This is over and above the previous improvement for our retired members, which cost over \$140 million, last January," Brother Hallé said.

According to BLE Canadian Di-

rector Hallé, over the last three years the Brotherhood has been able to increase the members' future monthly pension by over \$400 without any increase in contributions.

The Pension Committee, which replaced CN's Pension Board, was formed last year following the last round of national negotiations. Its role includes recommending pension improvements using available funds in the Escalation and Improvement Accounts.

CN's pension committee is unique in Canada in having the authority to recommend improvements in unionized employees' pension benefits during the life of collective agreements, without having to wait for collective bargaining.

Brother Hallé expressed thanks to all CN General Chairmen for their support.

The Maximum Pensionable Earnings average required to obtain the maximum pension will be decreased from \$95,325.00 to \$93,410.00 for 2000 and to \$91,600.00 for 2002 (based on a projected Y.M.P.E. at \$39,000.00 for 2002).

The maximum contribution per year will be lowered from \$6,077.00 for 2000 to \$5,945.00 for 2001 and to \$5,808.00 for 2002 (based on a projected Y.M.P.E. at \$39,000.00 for 2002). •

La Fil A Obtenu Des Améliorations Au Régime De Retraite Pour Les Travailleurs Du CN

CLEVELAND, le 17 avril — Aujourd'hui, à sa réunion régulière du Comité de retraite, le Conseil d'administration du Canadien National a approuvé des améliorations au régime de retraite pour les ingénieurs de locomotives et les contrôleurs de la circulation ferroviaire, a annoncé Gilles Hallé, Directeur canadien de la FIL.

Les représentants syndicaux ont convenu à l'unanimité les améliorations à la formule de calcul des droits à pension, à compter du 1^{er} janvier 2001, en la faisant passer de 1,5%-2% dans le cas des services passés et futurs de l'ensemble de l'effectif syndiqué participant au Régime de retraite du CN au Canada à cette date. Cette proposition comportant également une amélioration de la formule en la portant à 1,7%-2% à compter du 1^{er} janvier 2002 selon les mêmes conditions pour les syndiqués participant au Régime de retraite du CN au Canada qui seront actifs en date du 1^{er} janvier 2002.

Tous les syndicats (FIL, FPEV, TCA, TUT, FIOE et l'Association des policiers) ont convenu unanimement d'utiliser l'argent disponible dans leurs comptes d'amélioration respectifs afin de réaliser de nouveaux bénéfices. Le coût estimatif de ces changements est de 223 M\$, qui seront distribués aux bénéficiaires de rente sous forme d'augmentations à vie des rentes mensuelles.

« Ces améliorations s'ajoutent aux améliorations précédentes pour les membres à la retraite, qui a coûté plus

de 140 M\$ en janvier dernier », a dit Confrère Hallé.

Selon le Directeur canadien, Monsieur Hallé, depuis les trois dernières années, la Fraternité a pu augmenter la rente mensuelle future des membres par plus de 400\$ sans aucune augmentation des contributions.

Le Comité de retraite, qui a remplacé le Conseil de retraite du CN, a été mis sur pied l'année dernière suite à la dernière ronde de négociations nationales. Son rôle inclut la recommandation d'améliorations à la formule de calcul des droits à pension en utilisant les sommes disponibles dans les comptes d'amélioration et d'indexation.

Le Comité de retraite du CN est unique au Canada du fait qu'il a l'autorité de recommander des améliorations aux indemnités de retraite des employés syndiqués à l'extérieur des négociations des conventions collectives.

Confrère Hallé remercie tous les Présidents généraux du CN pour leur appui.

La moyenne requise du maximum des gains ouvrant droit à pension pour obtenir la rente maximum sera diminuée de 95 325\$ à 93 410\$ pour l'an 2000 et à 91 600\$ pour 2002 (basée sur un MGAP projeté à 39 000\$ pour 2002).

La contribution annuelle maximale sera réduite de 6 077\$ pour 2000 à 5 945\$ pour 2001 et à 5 808\$ pour 2002 (basée sur un MGAP projeté à 39 000\$ pour 2002). •

EUMA 2001 registration

The 2001 EUMA will be held at the Tropicana Casino and Hotel in Atlantic City, N.J., from August 20-24. Hotel reservations can be made by calling (800) 247-8767.

When calling, you must state you will be attending the "Eastern Union Meeting Association of the Brotherhood of Locomotive Engineers."

Please make room reservations early as only a limited number of rooms are available. Hotel reservations must be made by August 1 in order to receive the discounted room rate of \$105 per night. These rooms are available on a

first come, first served basis.

Questions should be directed to Arrangements Chairman Sonny Kertesz at the address below, or by calling or e-mailing (732) 458-7642 or <sonny912@aol.com>.

2001 EUMA Agenda (subject to change)

Monday, August 20
3 p.m.-7 p.m. — Registration
7 p.m.-9 p.m. — Welcome buffet w/ open bar

Tuesday, August 21
7 a.m.-9 a.m. — Breakfast
9 a.m.-12:30 p.m. — EUMA opening w/ ID officers, GIA officers and guest speakers
12:30 p.m.-1:30 p.m. — Midday break
1:30 p.m.-4:30 p.m. — Closed meeting with BLE International Officers; GIA meeting open to all BLE spouses
6 p.m.-8 p.m. — Buffet dinner, cash bar

Wednesday, August 22
7 a.m.-9 a.m. — Breakfast
9 a.m. — Buses leave for golf outing
9:30 a.m. — Buses leave for historic Cape May; Shopping & sightseeing

Thursday, August 23
7 a.m.-9 a.m. — Breakfast

9 a.m.-12:30 p.m. — Local Chairman workshop; Secretary-Treasurer workshop; Legislative Representative workshop
12:30 p.m.-1:30 p.m. — Midday break
1:30 p.m.-4:30 p.m. — Business mtgs.; Speakers from United Healthcare, FRA, Railroad Retirement Board
7 p.m.-8 p.m. — Cocktail hour, open bar
8 p.m.-11 p.m. — Farewell banquet, scholarship awards, open bar and dancing

Friday, August 24
7 a.m.-9 a.m. — Breakfast, goodbyes
9 a.m.-noon — Secretary-Treasurer and convention delegates workshop; Hotel check-out •



EUMA 2001 Meal Package Deadline: August 12



Meal packages for the 2001 EUMA are limited to the first 250 people who register. The deadline for meal packages is August 12, and members should note that *no meal packages will be sold at the door*. The cost of the meal package is \$95 per person. At the banquet on August 23, members will have a choice of filet mignon or stuffed flounder.

Please list names of people in your party and their choice (use additional pages if necessary):

Name	Banquet Meal Choice
_____	_____
_____	_____
_____	_____

Make checks or money orders payable to "EUMA 2001" and mail to:
J.W. "Sonny" Kertesz
EUMA 2001 Arrangements Chairman
2 Debbie Dr.
Brick, NJ 08724



EUMA 2001 Golf Outing Deadline: August 12



The EUMA golf outing will be held on August 22 at the Greate Bay golf course in Somers Point, N.J. There will be a barbecue and beverages at the course following the game. There will be a closest to the pin and longest drive prizes. The cost is \$65 per person and all monies must be paid by August 12, 2001.

Please list names of golfers in your party:

Name

Make checks or money orders payable to "EUMA 2001" and mail to:
John Mount
EUMA 2001 Golf Chairman
1594 Penbrook Court
Toms River, NJ 08755

