

MEDIATION AGREEMENT

THIS AGREEMENT, made this 31st day of October, 1985 by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the United Transportation Union, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - GENERAL WAGE INCREASES

Section 1 - First General Wage Increase

(for other than Dining Car Stewards and Yardmasters)

(a) Effective November 1, 1985, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on October 31, 1985 for employees represented by the United Transportation Union will be increased by one (1) percent.

(b) In computing the increase for enginemen under paragraph (a) above, one (1) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily rate of pay:

Passenger	- 600,000 and less than 650,000
pounds	
Freight	- 950,000 and less than
	1,000,000 pounds
	(through freight rates)
Yard Engineers	- Less than 500,000 pounds
Yard Firemen	- Less than 500,000 pounds
	(separate computation
covering	five-day rates and other than five-
day	rates)

Section 2 - Second General Wage Increase

(for other than Dining Car Stewards and Yardmasters)

Effective January 1, 1986, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1985 for employees represented by the United Transportation Union shall be increased by two (2) percent, computed and applied for enginemen in the manner prescribed

in Section 1 above.

**Section 3 - Third General Wage Increase**

(for other than Dining Car Stewards and Yardmasters)

Effective July 1, 1986, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on June 30, 1986 for employees represented by the United Transportation Union shall be increased by one and one-half (1.5) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

**Section 4 - Fourth General Wage Increase**

(for other than Dining Car Stewards and Yardmasters)

Effective January 1, 1987, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1986 for employees represented by the United Transportation Union shall be increased by two and one-quarter (2.25) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

**Section 5 - Fifth General Wage Increase**

(for other than Dining Car Stewards and Yardmasters)

Effective July 1, 1987, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on June 30, 1987 for employees represented by the United Transportation Union shall be increased by one and one-half (1.5) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

**Section 6 - Sixth General Wage Increase**

(for other than Dining Car Stewards and Yardmasters)

Effective January 1, 1988, all standard basic daily rates of pay (excluding cost-of-living allowance) in effect on December 31, 1987 for employees represented by the United Transportation Union shall be increased by two and one-quarter (2.25) percent, computed and applied for enginemen in the manner prescribed in Section 1 above.

**Section 7 - Standard Rates**

(for other than Dining car Stewards and Yardmasters)

The standard basic daily rates of pay (excluding cost-of living allowance) produced by application of the increases provided for in this Article are set forth in Appendix 1, which is a part of this Agreement.

**Section 8 - Application of Wage Increases**

(a) Duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, and mileage rates of pay for miles run in excess of the number of miles comprising a basic day, will not be subject to the adjustments provided for in this Article.

(b) In engine service and in train and yard ground service, miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be adjusted under this Agreement in the same manner as heretofore increased under previous wage agreements.

(c) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(d) Daily earnings minima shall be changed by the amount of the respective daily adjustments.

(e) Standard monthly rates and money monthly guarantees in passenger train service shall be thirty times the new standard daily rates. Other than standard monthly rates and money monthly guarantees shall be so adjusted that money differentials existing as of October 31, 1985 shall be preserved.

(f) Existing monthly rates and money monthly guarantees applicable in train service other than passenger will be changed in the same proportion as the daily rate for the class of service involved is adjusted.

(g) Existing money differentials above existing standard daily rates shall be maintained.

(h) In local freight service, the same differential in excess of through freight rates shall be maintained.

(i) The differential of \$4.00 per basic day in freight and yard service, and 4¢ per mile for miles in excess of the number of miles encompassed in the basic day in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.

(j) In computing the increases in rates of pay effective November 1, 1985 under Section 1 for firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or

in other miscellaneous service, on runs of miles equal to or less than the number comprising a basic day, which are therefore paid on a daily basis without a mileage component, whose rates had been increased by "an additional \$.40" effective July 1, 1968, the one (1) percent increase shall be applied to daily rates then in effect, exclusive of car scale additives, local freight differentials, and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases effective January 1, 1986, July 1, 1986, January 1, 1987, July 1, 1987 and January 1, 1988. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendix 1 which is a part of this Agreement.

(k) Other than standard rates:

(i) Existing basic daily rates of pay other than standard shall be changed, effective as of the dates specified in Sections 1 through 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

(ii) The differential of \$4.00 per basic day in freight and yard service, and 4¢ per mile for miles in excess of the number encompassed in the basic day in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required.

(iii) Daily rates of pay, other than standard, of firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs,

mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number encompassed in the basic day, which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections 1 through 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (k)(i) above.

(l) Wage rates resulting from the increases provided for in Sections 1 through 6 and 9 of this Article I, and in Section 1(d) of Article II, will not be reduced under Article II.

**Section 9 - General Wage Increases for Dining Car Stewards and Yardmasters**

(a) Effective November 1, 1985, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on October 31, 1985, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one (1) percent.

(b) Effective January 1, 1986, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1985, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by two (2) percent.

(c) Effective July 1, 1986, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on June 30, 1986, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one and one-half (1.5) percent.

(d) Effective January 1, 1987, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1986, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by an amount equal to two and one-quarter (2.25) percent.

(e) Effective July 1, 1987, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on June

30, 1987, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by one and one-half (1.5) percent.

(f) Effective January 1, 1988, all basic monthly rates of pay (excluding cost-of-living allowance) in effect on December 31, 1987, for dining car stewards and yardmasters represented by the United Transportation Union shall be increased by an amount equal to two and one-quarter (2.25) percent.

**ARTICLE II - COST-OF-LIVING ADJUSTMENTS**

**Section I - Amount and Effective Dates of Cost-of-Living Adjustments**

(a) The cost-of-living allowance which, on October 31, 1985 is 13 cents per hour, will subsequently be adjusted, in the manner set forth in and subject to all the provisions of paragraphs (e) and (g) below, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967 = 100), U.S. Index, all items unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the BLS Consumer Price Index. The first such cost-of-living adjustment shall be made effective November 1, 1985, based (subject to paragraph (e)(i) below) on the BLS Consumer Price Index for March 1985 as compared with the index for September 1984. Such adjustment, and further cost-of-living adjustments which will be made effective as described below, will be based on the change in the BLS Consumer Price Index during the respective measurement periods shown in the following table subject to the exception in paragraph (e)(ii) below, according to the formula set forth in paragraph (f) below as limited by paragraph (g) below:

Measurement Periods Effective Date		
<u>Base Month</u>	<u>Measurement Month</u>	<u>of Adjustment</u>
September 1984	March 1985	November 1, 1985
March 1985	September 1985	January 1, 1986
September 1985	March 1986	July 1, 1986
March 1986	September 1986	January 1, 1987
September 1986	March 1987	July 1, 1987

March 1987

September 1987

January 1, 1988

(b) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight time, overtime, vacations, holidays and to special allowances in the same manner as basic wage adjustments have been applied in the past, except that such allowance shall not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money or to mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(c) The amount of the cost-of-living allowance, if any, which will be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.

(d) On June 30, 1988 all of the cost-of-living allowance then in effect shall be rolled into basic rates of pay and the cost-of-living allowance in effect will be reduced to zero. Accordingly, the amount rolled in will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, and mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(e) Cap. (i) In calculations under paragraph (f) below, the maximum increase in the BLS Consumer Price Index (C.P.I.) which will be taken into account will be as follows:

<u>Effective Date</u> <u>of Adjustment</u> (1)	<u>Maximum C.P.I. Increase</u> <u>Which May Be Taken into Account</u> (2)
November 1, 1985	4% of September 1984 CPI
January 1, 1986	8% of September 1984 CPI, less the increase from September 1984 to March 1985
July 1, 1986	4% of September 1985 CPI
January 1, 1987	8% of September 1985 CPI, less the increase from September 1985 to March 1986
July 1, 1987	4% of September 1986 CPI
January 1, 1988	8% of September 1986 CPI, less the increase from September 1986 to

March 1987

(ii) If the increase in the BLS Consumer Price Index from exceeds 4% of the September base index, the measurement month of March 1985, exceeds 4% of the September base index, the measurement period which will be used for determining the cost-of-living adjustment to be effective the following January will be the twelve-month period from such base month of September; the increase in the index which will be taken into account will be limited to that portion of increase which is in excess of 4% of such September base index, and the maximum increase in that portion of the index which may be taken into account will be 8% of such September base index less the 4% mentioned in the preceding clause, to which will be added any residual tenths of points which had been dropped under paragraph (f) below in calculation of the cost-of-living adjustment which will have become effective July 1 during such measurement period.

(iii) Any increase in the BLS Consumer Price Index from the base month of September 1984 to the measurement month of September 1985 in excess of 8% of the September 1984 base index, will not be taken into account in the determination of subsequent cost-of-living adjustments.

(f) Formula. The number of points change in the BLS Consumer Price Index during a measurement period, as limited by paragraph (e) above, will be converted into cents on the basis of one cent equals 0.3 full points. (By 0.3 full points it is intended that any remainder of 0.1 point or 0.2 point of change after the conversion will not be counted).

The cost-of-living allowance in effect on October 31, 1985 will be adjusted (increased or decreased) effective November 1, 1985 by the whole number of cents produced by dividing by 0.3 the number of points (including tenths of points) change, as limited by paragraph (e) above, in the BLS Consumer Price Index during the measurement period from the base month of September 1984 to the measurement month of March 1985. Any residual tenths of a point resulting from such division will be dropped. The result of such division will be added to the amount of the cost-of-living allowance in effect on October 31, 1985 if the Consumer Price Index will have been higher at the end than at the beginning of the measurement period, and subtracted therefrom only if the index will have been lower at the end than at the beginning of the measurement period and then, only, to the extent that the allowance remains at zero or above.

The same procedure will be followed in applying

subsequent adjustments.

(g) Offsets. The amounts calculated in accordance with the formula set forth in paragraph (f) will be offset by the increases provided for in Article I of this Agreement as applied on an annual basis against a starting rate of \$12.54 per hour. This will result in the cost-of-living increases, if any, being subject to the limitations herein described:

(i) Any increase to be paid effective November 1, 1985 is limited to that in excess of 13 cents per hour. Since the formula produces 10 cents per hour for the November 1, 1985 adjustment, no change will be made on that date in the amount of the cost-of-living allowance.

(ii) The combined increases, if any, to be paid as a result of the adjustments effective November 1, 1985 and January 1, 1986 are limited to those in excess of 38 cents per hour.

(iii) Any increase to be paid effective July 1, 1986 is limited to that in excess of 19 cents per hour.

(iv) The combined increases, if any, to be paid as a result of the adjustments effective July 1, 1986 and January 1, 1987 are limited to those in excess of 48 cents per hour.

(v) Any increase to be paid effective July 1, 1987 is limited to that in excess of 20 cents per hour.

(vi) The combined increases, if any, to be paid as a result of the adjustments effective July 1, 1987 and January 1, 1988 are limited to those in excess of 51 cents per hour.

(h) Continuance of the cost-of-living adjustments is dependent upon the availability of the official monthly BLS Consumer Price Index (CPI-W) calculated on the same basis as such Index, except that, if the Bureau of Labor Statistics, U.S. Department of Labor, should during the effective period of this Agreement revise or change the methods or basic data used in calculating the BLS Consumer Price Index in such a way as to affect the direct

comparability of such revised or changed index with the CPI-W Index during a measurement period, then that Bureau shall be requested to furnish a conversion factor designed to adjust the newly revised index to the basis of the CPI-W Index during such measurement period.

## **Section 2 - Application of Cost-of-Living Adjustments**

In application of the cost-of-living adjustments provided for by Section 1 of this Article II, the cost-of-living allowance will not become part of basic rates of pay except as provided in Section 1(d). Such allowance will be applied as follows:

(a) For other than dining car stewards and yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Article I and by Section 1(d) of this Article II. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Section 8 of Article I.

(b) For dining car stewards, each one cent per hour of cost-of-living allowance will be treated as an increase of \$1.80 in the monthly rates of pay produced by application of Sections 8 and 9 of Article I and by Section 1(d) of this Article II.

(c) For yardmasters, each one cent per hour of cost-of-living allowance will be treated as an increase of \$2.00 in the monthly rates of pay produced by application of Sections 8 and 9 of Article I and by Section 1(d) of this Article II.

## **ARTICLE III - LUMP SUM PAYMENT**

A lump sum payment, calculated as described below, will be paid to each employee subject to this Agreement who established an employment relationship prior to the date of this Agreement and has retained that relationship or has retired or died.

Employees with 2,150 or more straight time hours paid for (not including any such hours reported to the Interstate Commerce Commission as constructive allowances except vacations and holidays) during the period July 1, 1984 through July 31, 1985 will be paid \$565.00. Those employees with fewer straight time hours paid for will be paid an amount derived by multiplying \$565.00 by the number of straight time hours (including vacations and holidays, as described above) paid for during that period divided by

2,150.

ARTICLE IV - PAY RULES

Section 1 - Mileage Rates

(a) Mileage rates of pay for miles run in excess of the number of miles comprising a basic day (presently 100 miles in freight service and 100 miles for engine crews and 150 miles for train crews in through passenger service) will not be subject to general, cost-of-living, or other forms of wage increases.

(b) Mileage rates of pay, as defined above, applicable to interdivisional, interseniority district, intradivisional and/or intraseniority district service runs now existing or to be established in the future shall not exceed the applicable rates as of October 31, 1985. Such rates shall be exempted from wage increases as provided Section 1(a) of this Article. Car scale and weight-on-drivers-additives will apply to mileage rates calculated in accordance with this provision.

Section 2 - Miles in Basic Day and Overtime Divisor

(a) The miles encompassed in the basic day in through freight and through passenger service and the divisor used to determine when overtime begins will be changed as provided below:

Through Freight Service Miles in Basic Day	Overtime Divisor	Through Passenger of Change Miles in Basic Day*	Overtime Divisor
<small>(Effective Date of Change)</small>			
November 1, 1985			
102	12.75	153-102	20.4
July 1, 1986			
104	13.0	156-104	20.8
July 1, 1987			
106	13.25	159-106	21.2
June 30, 1988			
108	13.5	162-108	21.6

\* The higher mileage numbers apply to conductors and brakemen and the lower mileage numbers apply to engineers and firemen.

(b) Mileage rates will be paid only for miles run in excess of the minimum number specified in (a) above.

(c) The number of hours that must lapse before overtime begins on a trip in through freight or through passenger service is calculated by dividing the miles of the trip or the number of miles encompassed in a basic day in that class of service, whichever is greater, by the appropriate overtime divisor. Thus after June 30, 1988, overtime will begin on a trip of 125 miles in through freight service after  $125/13.5 = 9.26$  hours or 9 hours and 16 minutes. In through freight service, overtime will not be paid prior to the completion of 8 hours of service.

### **Section 3 - Conversion to Local Rate**

When employees in through freight service become entitled to the local rate of pay under applicable conversion rules, the daily local freight differential (56¢) for conductors and engineers and 43¢ for brakemen and firemen under national agreements) will be added to their basic daily rate and the combined rate will be used as the basis for calculating hourly rates, including overtime. The local freight mileage differential (.56¢ per mile for conductors and engineers and .43¢ for brakemen and firemen under national agreements) will be added to the through freight mileage rates, and miles in excess of the number encompassed in the basic day in through freight service will be paid at the combined rate.

### **Section 4 - Engine Exchange (Including Adding and Subtracting of Units) And Other Related Arbitraries**

(a) Effective November 1, 1985, all arbitrary allowances provided to employees for exchanging engines, including adding and subtracting units, preparing one or more units for tow, handling locomotive units not connected in multiple, and coupling and/or uncoupling appurtenances such as signal hose and control cables are reduced by an amount equal to one-third of the allowance in effect as of October 31, 1985.

(b) Effective July 1, 1986, all arbitrary allowances provided to employees for performing work described in paragraph (a) above are reduced by an amount equal to two-thirds of the allowance in effect as of October 31, 1985.

(c) Effective July 1, 1987, all arbitrary

allowances provided to employees for performing work described in paragraph (a) above are eliminated.

**Section 5 - Duplicate Time Payments**

(a) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, shall not apply to employees whose seniority in train or engine service is established after the date of this Agreement.

(b) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, not eliminated by this Agreement shall not be subject to general, cost-of-living or other forms of wage increases.

**Section 6 - Rate Progression - New Hires**

In any class of service or job classification, rates of pay, additives, and other applicable elements of compensation for an employee whose seniority in train or engine service is established after the date of this Agreement will be 75% of the rate for present employees and will increase in increments of 5 percentage points for each year of active service until the new employee's rate is equal to that of present employees. A year of active service shall consist of a period of 365 calendar days in which the employee performs a total of 80 or more tours of duty.

**Section 1 - Computation of Time**

In freight service all time, in excess of 60 minutes, computed from the time engine reaches switch, or signal governing same, used in entering final terminal yard track where train is to be left or yarded, until finally relieved from duty, shall be paid for as final terminal delay; provided, that if a train is deliberately delayed between the last siding or station and such switch or signal, the time held at such point will be added to any time calculated as final terminal delay.

**Section 2 - Extension of Time**

Where mileage is allowed between the point where final terminal delay time begins and the point where finally relieved, each mile so allowed will extend the 60 minute period after which final terminal delay payment begins by the

number of minutes equal to 60 divided by the applicable overtime divisor (60/12.5 = 4.8; 60/12.75 = 4.7; 60/13 = 4.6; 60/13.25 = 4.5; 60/13.5 = 4.4, etc.).

### **Section 3 - Payment Computation**

All final terminal delay, computed as provided for in this Article, shall be paid for, on the minute basis, at one-eighth (1/8th) of the basic daily rate in effect as of October 31, 1985, according to class of service and engine used, in addition to full mileage of the trip, with the understanding that the actual time consumed in the performance of service in the final terminal for which an arbitrary allowance of any kind is paid shall be deducted from the final terminal time under this Article. The rate of pay for final terminal delay allowance shall not be subject to increases of any kind.

After road overtime commences, final terminal delay shall not apply and road overtime shall be paid until finally relieved from duty.

NOTE: The phrase relieved from duty as used in this Article includes time required to make inspection, complete all necessary reports and/or register off duty.

### **Section 4 - Multiple Trips**

When a tour of duty is composed of a series of trips, final terminal delay will be computed on only the last trip of the tour of duty.

### **Section 5 - Exceptions**

This Article shall not apply to pusher, helper, mine run, shifter, roustabout, transfer, belt line, work, wreck, construction, road switcher or district run service. This Article shall not apply to circus train service where special rates or allowances are paid for such service.

NOTE: The question as to what particular service is covered by the designations used in Section 5 shall be determined on each individual railroad in accordance with the rules and practices in effect thereon.

### **Section 6 - Local Freight Service**

In local freight service, time consumed in switching at final terminal shall not be included in the computation of final terminal delay time.

This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

#### ARTICLE VI - DEADHEADING

Existing rules covering deadheading are revised as follows:

##### **Section 1 - Payment When Deadheading and Service Are Combined**

(a) Deadheading and service may be combined in any manner that traffic conditions require, and when so combined employees shall be paid actual miles or hours on a continuous time basis, with not less than a minimum day, for the combined service and deadheading. However, when deadheading from the away-from-home terminal to the home terminal is combined with a service trip from such home terminal to such away-from-home terminal and the distance between the two terminals exceeds the applicable mileage for a basic day, the rate paid for the basic day mileage portions of the service trip and deadhead shall be at the full basic daily rate.

(b) Employees deadheading into their home terminal can have their deadhead combined with service out of that terminal only when the deadhead and service comes within the provisions of short turnaround service rules.

##### **Section 2 - Payment For Deadheading Separate From Service**

When deadheading is paid for separate and apart from service:

(a) For Present Employees\*

A minimum day, at the basic rate applicable to the class of service in connection with which deadheading is performed, shall be allowed for the deadheading, unless actual time consumed is greater, in which event the latter amount shall be allowed.

(b) For New Employees\*\*

Compensation on a minute basis, at the basic rate applicable to the class of service in connection with which

deadheading is performed, shall be allowed. However, if service after deadheading to other than the employee's home terminal does not begin within 16 hours after completion of deadhead, a minimum of a basic day at such rate will be paid. If deadheading from service at other than the employee's home terminal does not commence within 16 hours of completion of service, a minimum of a basic day at such rate will be paid.

A minimum of a basic day also will be allowed where two separate deadhead trips, the second of which is out of other than the home terminal, are made with no intervening service performed. Non-service payments such as held-away-from-home terminal allowance will count toward the minimum of a basic day provided in this Section 2(b).

\* Employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement.

\*\* Employees whose earliest seniority date in a craft covered by this Agreement is established after the date of this Agreement.

### **Section 3 - Application**

Deadheading will not be paid where not paid under existing rules.

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This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

## **ARTICLE VII - ROAD SWITCHERS ETC.**

### **Section 1 - Reduction In Work Week**

(a) Carriers with road switcher (or similar operations), mine run or roustabout agreements in effect prior to the date of this Agreement that do not have the right to reduce six or seven-day assignments to not less than five, or to establish new assignments to work five days per week, shall have that right.

(b) The work days of five-day assignments reduced or established pursuant to Section 1(a) of this Article shall be consecutive. The five-day yard rate shall apply to new assignments established pursuant to Section 1(a) of this Article. Assignments reduced pursuant to Section 1(a) shall be compensated in accordance with the provisions of Section

1(c).

(c) If the working days of an existing assignment as described in Section 1(a) are reduced under this Article, an allowance of 48 minutes at the existing straight time rate of that assignment in addition to the rate of pay for that assignment will be provided. Such allowance will continue for a period of three years from the date such assignment was first reduced. However, such allowance will not be made to employees who establish seniority in train or engine service after the date of this Agreement. Upon expiration of the three year period described above, the five day yard rate will apply to any assignment reduced to working less than six or seven days a week pursuant to this Article.

(d) The annulment or abolishment and subsequent reestablishment of an assignment to which the allowance provided for above applies shall not serve to make the allowance inapplicable to the assignment upon its restoration.

#### **Section 2 - New Road Switcher Agreement**

(a) Carriers that do not have rules or agreements that allow them to establish road switcher assignments throughout their system may serve a proposal for such a rule upon the interested general chairman or chairmen. If agreement is not reached on the proposal within 20 days, the question shall be submitted to arbitration.

(b) The arbitrator shall be selected by the parties or, if they fail to agree, the National Mediation Board will be requested to name an arbitrator.

(c) The arbitrator shall render a decision within 30 days from the date he accepts appointment. The decision shall not deal with the right of the carrier to establish road switcher assignments (such right is recognized), but shall be restricted to enumerating the terms and conditions under which such assignments shall be compensated and operated. J

(d) In determining the terms and conditions under which road switcher assignments shall be compensated and operated, the arbitrator will be guided by and confined to what are the prevailing features of other road switcher agreements found on Class I railroads, except that the five day yard rate shall apply to any assignment established under this Section.

ARTICLE VIII - ROAD, YARD AND INCIDENTAL WORK

**Section 1 - Road Crews**

Road crews may perform the following work in connection with their own trains without additional compensation:

(a) Get or leave their train at any location within the initial and final terminals and handle their own switches. When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty point fixed for that assignment and such point is not within reasonable walking distance of the on and off duty point, transportation will be provided.

(b) Make up to two straight pick-ups at other location(s) in the initial terminal in addition to picking up the train and up to two straight set-outs at other location(s) in the final terminal in addition to yarding the train; and, in connection therewith, spot, pull, couple, or uncouple cars set out or picked up by them and reset any cars disturbed.

(c) In connection with straight pick-ups and/or set-outs within switching limits at intermediate points where yard crews are on duty, spot, pull, couple or uncouple cars set out or picked up by them and reset any cars disturbed in connection therewith.

(d) Perform switching within switching limits at times no yard crew is on duty. On carriers on which the provisions of Section 1 of Article V of the June 25, 1964 Agreement are applicable, time consumed in switching under this provision shall continue to be counted as switching time. Switching allowances, where applicable, under Article V, Section 7 of the June 25, 1964 Agreement or under individual railroad agreements, payable to road crews, shall continue with respect to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and such allowances are not subject to general or other wage increases.

(e) At locations outside of switching limits there shall be no restrictions on holding onto cars in making set-outs or pick-ups, including coupling or shoving cars disturbed in making set-outs or pick-ups.

**Section 2 - Yard Crews**

Yard crews may perform the following work outside of switching limits without additional compensation except as provided below:

(a) Bring in disabled train or trains whose crews have tied up under the Hours of Service Law from locations up to 25 miles outside of switching limits.

(b) Complete the work that would normally be handled by the crews of trains that have been disabled or tied up under the Hours of Service Law and are being brought into the terminal by those yard crews. This paragraph does not apply to work train or wrecking service.

**Note:** For performing the service provided in (a) and (b) above, yard crews shall be paid miles or hours, whichever is the greater, with a minimum of one (1) hour for the class of service performed (except where existing agreements require payment at yard rates) for all time consumed outside of switching limits. This allowance shall be in addition to the regular yard pay and without any deduction therefrom for the time consumed outside of switching limits. Such payments are limited .3 employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and is not subject to general or other wage increases.

(c) Perform service to customers up to 20 miles outside switching limits provided such service does not result in the elimination of a road crew or crews in the territory. The use of a yard crew in accordance with this paragraph will not be construed as giving yard crews exclusive rights to such work. This paragraph does not contemplate the use of yard crews to perform work train or wrecking service outside switching limits.

(d) Nothing in this Article will serve to prevent or affect in any way a carrier's right to extend switching limits in accordance with applicable agreements. However, the distances prescribed in this Article shall continue to be measured from switching limits as they existed as of August 25, 1978, except by mutual agreement.

(e) Yard crews may perform hostling work without additional payment or penalty.

### Section 3 - Incidental Work

(a) Road and yard employees in ground service and qualified engine service employees may perform the following items of work in connection with their own assignments without additional compensation:

- (1) Handle switches
- (2) Move, turn and spot locomotives and cabooses
- (3) Supply locomotives and cabooses except for heavy equipment and supplies generally placed on locomotives and cabooses by employees of other crafts
- (4) Inspect cars
- (5) Start or shutdown locomotives
- (6) Bleed cars to be handled
- (7) Make walking and rear-end air tests
- (8) Prepare reports while under pay
- (9) Use communication devices; copy and handle train orders, clearances and/or other messages.
- (10) Any duties formerly performed by firemen.

(b) Road and yard employees in engine service and qualified ground service employees may perform the following items of work in connection with their own assignments without additional compensation:

- (1) Handle switches
- (2) Move, turn, spot and fuel locomotives
- (3) Supply locomotives except for heavy equipment and supplies generally placed on locomotives by employees of other crafts
- (4) Inspect locomotives
- (5) Start or shutdown locomotives

- (6) Make head-end air tests
- (7) Prepare reports while under pay
- (8) Use communication devices; copy and handle train orders, clearances and/or other messages.
- (9) Any duties formerly performed by firemen.

**Section 4 - Construction of Article**

Nothing in this Article is intended to restrict any of the existing rights of a carrier.

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This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before such date.

**ARTICLE IX - INTERDIVISIONAL SERVICE**

NOTE: As used in this Agreement, the term interdivisional service includes interdivisional, interseniority district, intradivisional and/or intraseniority district service.

An individual carrier may establish interdivisional service, in freight or passenger service, subject to the following procedure.

**Section 1 - Notice**

An individual carrier seeking to establish interdivisional service shall give at least twenty days' written notice to the organization of its desire to establish service, specify the service it proposes to establish and the conditions, if any, which it proposes shall govern the establishment of such service.

**Section 2 - Conditions**

Reasonable and practical conditions shall govern the establishment of the runs described, including but not limited to the following:

- (a) Runs shall be adequate for efficient operations

and reasonable in regard to the miles run, hours on duty and in regard to other conditions of work.

(b) All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on October 31, 1985 by the number of miles encompassed in the basic day as of that date. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.

(c) When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty points fixed for the service established hereunder, the carrier shall authorize and provide suitable transportation for the crew.

Note: Suitable transportation includes carrier owned or provided passenger carrying motor vehicles or taxi, but excludes other forms of public transportation.

(d) On runs established hereunder crews will be allowed a \$4.15 meal allowance after 4 hours at the away-from-home terminal and another \$4.15 allowance after being held an additional 8 hours.

(e) In order to expedite the movement of interdivisional runs, crews on runs of miles equal to or less than the number encompassed in the basic day will not stop to eat except in cases of emergency or unusual delays. For crews on longer runs, the carrier shall determine the conditions under which such crews may stop to eat. When crews on such runs are not permitted to stop to eat, crew members shall be paid an allowance of \$1.50 for the trip.

(f) The foregoing provisions (a) through (e) do not preclude the parties from negotiating on other terms and conditions of work.

### **Section 3 - Procedure**

Upon the serving of a notice under Section 1, the parties will discuss the details of operation and working conditions of the proposed runs during a period of 20 days following the date of the notice. If they are unable to agree, at the end of the 20-day period, with respect to runs which do not operate through a home terminal or home terminals of previously existing runs which are to be

extended, such run or runs will be operated on a trial basis until completion of the procedures referred to in Section 4. This trial basis operation will not be applicable to runs which operate through home terminals.

**Section 4 - Arbitration**

(a) In the event the carrier and the organization cannot agree on the matters provided for in Section 1 and the other terms and conditions referred to in Section 2 above, the parties agree that such dispute shall be submitted to arbitration under the Railway Labor Act, as amended, within 30 days after arbitration is requested by the carrier. The arbitration board shall be governed by the general and specific guidelines set forth in Section 2 above.

(b) The decision of the arbitration board shall be final and binding upon both parties, except that the award shall not require the carrier to establish interdivisional service in the particular territory involved in each such dispute but shall be accepted by the parties as the conditions which shall be met by the carrier if and when such interdivisional service is established in that territory. Provided further, however, if carrier elects not to put the award into effect, carrier shall be deemed to have waived any right to renew the same request for a period of one year following the date of said award, except by consent of the organization party to said arbitration.

**Section 5 - Existing Interdivisional Service**

Interdivisional service in effect on the date of this Agreement is not affected by this Article.

**Section 6 - Construction of Article**

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The foregoing provisions are not intended to impose restrictions with respect to establishing interdivisional service where restrictions did not exist prior to the date of this Agreement.

**Section 7 - Protection**

The provisions of Article XIII of the January 27, 1972 - Agreement shall apply to employees adversely affected by the application of this Article.

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This Article shall become effective November 1, 1985 except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee

representatives on or before such date. Article XII of the January 27, 1972 Agreement shall not apply on any carrier on which this Article becomes effective.

#### ARTICLE X - CABOOSES

##### Section 1 - Unit And Intermodal Trains

(a) Article X, Section 4, of the October 15, 1982 National Agreement provides for the elimination of cabooses in through freight (including converted through freight) service up to 25% of the base established thereby. The parties agree that in addition to a carrier's rights under such provision and other provisions of said Article X, cabooses may be discontinued on unit-type trains (e.g., coal, grain, phosphate) and intermodal-type trains (e.g., piggyback, auto rack, double stack) operated in through freight (including converted through freight) service based on Guidelines and Conditions (Sections 2 and 3 of Article X of the October 15, 1982 National Agreement).

(b) Except as provided in paragraph (a) above, Article X of the October 15, 1982 Agreement remains in effect.

##### Section 2 - Run-Through Service

In run-through service, a caboose which meets the basic minimum standards of the railroad on which it originated will be considered as meeting the basic minimum standards of the other railroad or railroads on which it is operated.

#### ARTICLE XI - LOCOMOTIVE STANDARDS

In run-through service, a locomotive which meets the basic minimum standards of the home railroad or section of the home railroad may be operated on any part of the home railroad or any other railroad.

#### ARTICLE XII - TERMINATION OF SENIORITY

The seniority of any employee whose seniority in train or engine service is established after the date of this Agreement and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years of seniority.

#### ARTICLE XIII - FIREMEN

The craft or class of firemen (helpers) shall be eliminated through attrition except to the extent necessary to provide the source of supply for engineers and for designated passenger firemen, hostler and hostler helper positions. Trainmen shall become the source of supply for these positions as hereinafter provided.

**Section 1 - Amendments to Fireman Manning Agreement of July 19, 1972**

(1) Change Article I, Section 1(a) to read as follows:

"(a) For fulfilling needs arising as the result of assignments and vacancies, temporary or otherwise, in designated passenger service and in hostler, hostler-helper service, pursuant to mileage or other regulating factors on individual carriers and in accordance with Article IV of this Agreement."

(2) Change Article I, Section 3(a) to read as follows:

"(a) Determinations of the number of employees required on each seniority district will be based on the maximum applicable regulating factor for each class of service contained in the rules on each carrier relating to increasing or decreasing the force of locomotive engineers."

(3) Change Article I, Section 3(e) to read as follows:

"(e) The number of employees required as of each determination period will be based on engineer service during the twelve months' period as follows:

Passenger service

Total hours paid for multiplied by the number of miles encompassed in a minimum day divided by the , number of hours encompassed in a minimum day.

Freight Service

Total hours paid for plus one-half overtime hours,

multiplied by the number of miles encompassed in a minimum day divided by the number of hours encompassed in a minimum day.

Yard service

Total hours paid for plus one-half overtime hours, divided by 8.

The results thus obtained shall be divided by the maximum applicable regulating factor as provided in paragraph (a) of this Section 3. The sum of employees thus determined will be increased by 10% to cover vacations and layoffs.

NOTE: As used in this paragraph, the term 'total hours paid for' includes all straight time hours paid for including hours paid for while working during scheduled vacation periods and the basic day's paid for holidays as such, all overtime hours paid for including overtime paid for working on holidays, and the hourly equivalent of arbitraries and special allowances provided for in the schedule agreements. The term does not include the hourly equivalent of vacation allowances or allowances in lieu of vacations, or payments arising out of violations of the schedule agreement."

(4) Change Article I, Section 3(f) by inserting "and on furlough" in the first and second sentences after "the number of firemen in active service" and by eliminating (1) to the NOTE and renumbering the remaining three enumerated items.

(5) Eliminate Section 3(h) of Article I and reletter the subsequent subsection. -

(6) Change Article III, Section 1 to read as follows:

"Section 1 - Firemen (helpers) whose seniority as such was established prior to November 1, 1985 shall have the right to exercise their seniority on assignments on which, under the National

Diesel Agreement of 1950 (as in effect on January 24, 1964), the use of firemen (helpers) would have been required, and on available hostler and hostler helper assignments subject to then following exceptions:

(a) When required to fulfill experience requirements for promotion, or engaged in a scheduled training program.

(b) When their services are required to qualify for or fill passenger or hostler or hostler helper vacancies in accordance with Article IV of this Agreement.

(c) When restricted to specific assignments as referred to in Article VI of this Agreement.

(d) When required to fill engineer vacancies or assignments.

The exercise of seniority under this Article will be subject to the advertisement, bidding, assignment, displacement and mileage rules on the individual carriers.

NOTE: As to any carrier not subject to the National Diesel Agreement of 1950 on January 24, 1964, the term 'the rules in effect on January 24, 1964 respecting assignments (other than hostling assignments) to be manned by firemen (helpers)' shall be substituted in this Article for the term 'the National Diesel Agreement of 1950.'

Section 1.5 - Firemen (helpers) whose seniority as such is established on or after November 1, 1985 will have the right to exercise seniority limited to designated positions of passenger fireman, hostler or hostler helper. The seniority rights of such firemen are subject to the following exceptions:

(a) When required to fulfill experience requirements for promotion, or engaged in a scheduled training program.

(b) When required to fill engineer

vacancies or assignments.

This will not preclude the carrier from requiring firemen to maintain proficiency as engineer and familiarity with operations and territories by working specified assignments.

(7) Change Article III, Section 4 to read as follows:

'Section 4(a) - All firemen (helpers) whose seniority as such was established prior to November 1, 1985 will be provided employment in accordance with the provisions of this Article until they retire, resign, are discharged for cause, or are otherwise severed by natural attrition; provided, however, that such firemen (helpers) may be furloughed if no assignment working without a fireman (helper) exists on their seniority~. district which would have been available to firemen (helpers) under the National Diesel Agreement of 1950 (as in effect on January 24, 1964), and if no position on an extra list as required in Section 3 above exists on their seniority district, subject to Section 5 of I this Article."

"Section 4(b) - Firemen whose seniority as such is ~; | established on or after November 1, 1985 may be furloughed when not utilized pursuant to Section 1.5 of this Article."

(8) Change Article III, Section 5(a) to read as follows:

"Section 5(a) - With respect to firemen (helpers), employed after July 19, 1972 and prior to November 1, 1985, the provisions of Section 4(a) above will be temporarily suspended on any seniority district to the extent provided in this Section 5 if there is a decline in business within the meaning of this Section."

(9) Change Article IV, Section 1 to read as follows:

"Section 1 - Firemen (helpers) who established a seniority date as fireman prior to November 1, 1985 shall be used on assignments in passenger service on

which under agreements in effect immediately prior to August 1, 1972, the use of firemen (helpers) would have been required. The use in passenger service of firemen (helpers) who establish seniority as firemen on or after November 1, 1985 will be confined to assignments designated by the carrier."

(10) Change Article IV, Section 2 to read as follows:

"(a) Except as modified hereinafter, assignments in hosting service will continue to be filled when required by agreements in effect on individual carriers.

(b) The carriers may discontinue using employees represented by the United Transportation Union as hostlers or hostler helpers provided that it does not result in furlough of a fireman who established seniority prior to November 1, 1985 nor the establishment of a hostler position represented by another organization, and provided, further, that this provision will not act to displace any employee who established seniority prior to November 1, 1985 and who has no rights to service except as hostler or hostler helper.

(c) Employees in engine service who established seniority prior to November 1, 1985 will continue to fill hostler and hostler helper positions and vacancies thereon in accordance with agreements in effect as of that date. If such position cannot be filled by such employees, and it is not discontinued pursuant to Paragraph (b) above, qualified train service employees will be used. In that event, bulletined vacancies will be advertised to train service employees, and if no bids are received the junior qualified train service employee at the location will be assigned; temporary vacancies will be filled from the yard or combined road/yard extra board.

(d) Yard crews may perform hosting work without additional payment or penalty to the carrier."

(11) Change Article VIII to read as follows:

"ARTICLE VIII - RESERVE FIREMEN

The carrier shall have the right to offer 'Reserve

Fireman' status to any number of active firemen, working as such, with seniority as firemen prior to November 1, 1985 (who are subject to work as locomotive engineers). Where applied, Reserve Fireman status shall be granted in seniority order on a seniority district or home zone basis under the terms listed below:

(1) An employee who chooses Reserve Fireman status must remain in that status until he either (i) is recalled and returns to hostler or engine service pursuant to Paragraph (2), (ii) is discharged from employment by the carrier pursuant to Paragraph (2) or for other good cause, (iii) resigns from employment by the carrier, (iv) retires on an annuity (including a disability annuity) under the Railroad Retirement Act, or (v) otherwise would not be entitled to free exercise of seniority under this Fireman Manning Agreement; whichever occurs first. If not sooner terminated, Reserve Fireman status and all other employment rights of a Reserve Fireman shall terminate when he attains age 70.

(2) Reserve Firemen must maintain their engine service and hostler proficiencies while in such status, including successfully completing any retraining or refresher programs that the carrier may require and passing any tests or examinations (including physical examinations) administered for purposes of determining whether such proficiencies and abilities have been maintained. Reserve Firemen also must hold themselves available for return to hostler and engine service upon seven days' notice, and must return to hostler or engine service in compliance with such notice. Reserve Firemen shall be recalled in reverse seniority order unless recalled for service as engineer. Failure to, comply with any of these requirements will result in forfeiture of all seniority rights.

(3) Reserve Firemen shall be paid at 70%

of the basic yard fireman's rate for five days per week. No other payments shall be made to or on behalf of a Reserve Fireman except (i) payment of premiums under applicable, health and welfare plans and, (ii) as may otherwise be provided for in this Article. No deductions from pay shall be made on behalf of a Reserve Fireman except (i) deductions of income, employment or payroll taxes (including railroad retirement taxes) pursuant to federal, state or local law; (ii) deductions of dues pursuant to an applicable union shop agreement and any other deductions authorized by agreement, (iii) as may otherwise be authorized by this Article and (iv) any other legally required deduction.

(4) Reserve Firemen shall be considered in active service for the purpose of this Fireman Manning Agreement, including application of the decline in business, formula.

(5) Other non-railroad employment while in Reserve Fireman status is permissible so long as there is no conflict of interest. There shall be no offset for outside earnings.

(6) Vacation pay received while in Reserve Fireman status will offset pay received under paragraph (3). Time spent in reserve status will not count toward determining whether the employee is eligible for vacation in succeeding years. It will count as time in determining the length of the vacation to which an employee, otherwise eligible, is entitled.

(7) Reserve Firemen are not eligible for:

Holiday Pay  
Personal Leave  
Bereavement Leave  
Jury Pay  
Other similar special allowances

(8) Reserve Firemen are covered by:

Health and Welfare Plans  
Union Shop  
Dues Check-off  
Discipline Rule  
Grievance Procedure

that are applicable to firemen (helpers)  
in active service.

(9) When junior employees are in 'Reserve Fireman' status, a senior active fireman may request such status. The carrier shall grant such a request and, at its discretion, recall the junior 'Reserve Fireman.'"

## Section 2 - Establishing Brakeman Seniority

(1) Engine service employees not possessing ground service seniority as of November 1, 1985 shall be placed on the bottom of the appropriate ground service roster upon implementation of this Section. Such employees will be allowed to relinquish their newly acquired seniority during a ninety day period following such implementation.

(2) On or after November 1, 1985, any person establishing seniority in engine service without first establishing seniority as trainman will establish a seniority date as trainman on the date he or she establishes seniority in engine service.

(3) An employee establishing seniority as trainman under this Section 2 shall be permitted to exercise such rights only in

the event he or she is unable to hold any position or assignment in engine service as engineer, fireman on a designated position in passenger service, hostler or hostler helper, and such employee shall not, by such placement, be given any "present or protected employee" rights under present crew consist agreements or any negotiated in the future.

(4) Provisions for implementing this requirement shall be agreed upon with the appropriate trainmen's representative on each Agreement. If the parties are unable to agree, the matter shall be arbitrated at the request of either party under the following provisions:

(a) The parties will endeavor to agree upon an arbitrator. If they fail to agree, either may request the National Mediation Board to name an arbitrator.

(b) The authority of the arbitrator will be limited to deciding the procedures that will govern the placement of engine service employees on ground service seniority rosters including the determination of which rosters are "appropriate."

(c) An award will be rendered within 45 days of the date the arbitrator is named.

### **Section 3 - Retention of Seniority**

(1) Subject to the carrier's legal obligations, when selecting new applicants for engine service, opportunity shall first be given to employees in train and yard service on the basis of their relative seniority standing, fitness and other qualifications being equal. Transfer of engineers from one seniority district to another on the same railroad system will not be violative of this provision.

(2) Any person who is selected for engine service and does not have seniority as trainman will acquire seniority as trainman upon entering engine service, subject to paragraph (3) hereof.

(3) An employee who has established seniority as

conductor (foreman), trainman (brakeman-yardman), hostler or hostler helper (but without seniority as a locomotive fireman) who is selected for engine service shall retain his seniority standing and all other rights in train and/or yard or hostling service. However, such employee shall be permitted to exercise such rights only in the event he or she is unable to hold any position or assignment in engine service as engineer, fireman on a designated position in passenger service, hostler or hostler helper.

(4) This Section 3 replaces and supersedes Article VIII of the August 25, 1978 National Agreement.

#### **Section 4 - Promotion**

The following principles will govern in the selection and promotion to engine service and conductor/foreman:

(1) Trainmen who established seniority prior to November 1, 1985 will be governed by existing rules with respect to promotion to conductor/foreman and will not be required to accept promotion to engine service.

(2) Trainmen who establish seniority on or after November 1, 1985 must accept promotion to conductor/foreman in proper turn.

(3) Trainmen who establish seniority on or after November 1, 1985 will be selected for engine service in accordance with Section 3 of this Article XIII. However, if a sufficient number of *trainmen* (including those promoted to conductor) do not make application for engine service to meet the carrier's needs, such needs will be met by requiring trainmen (including promoted conductors) who establish seniority on or after November 1, 1985 to take engine service assignments or forfeit seniority in train service.

(4) If the carrier's needs for engine service employees are not met during a period when there are not sufficient trainmen (including promoted conductors) in service with a seniority date on or after November 1, 1985 who must accept promotion to engine service or forfeit seniority in train service, the carrier may hire qualified engineers or train others for engine service.

Provisions for implementing these principles shall be agreed upon on each carrier party hereto within 90 days following the date of this Agreement. If the parties are unable to agree, the matter shall be arbitrated at the request of either party under the following provisions:

(a) The parties will endeavor to agree upon an arbitrator. If they fail to agree, either may request the National Mediation Board to name an arbitrator.

(b) The authority of the arbitrator will be limited to deciding the procedures that will govern the promotion of trainmen and the forfeiture of seniority in the event of failure to qualify for promotion.

(c) An award will be rendered within 45 days of the date the arbitrator is named.

#### Section 5 - Application

Any conflict between the changes set forth herein and the provisions of the July 19, 1972 Manning Agreement, as revised, shall be resolved in accordance with the provisions of this Agreement.

#### ARTICLE XIV - EXPENSES AWAY FROM HOME

Effective November 1, 1985, the meal allowance provided for in Article II, Section 2 of the June 25, 1964 National Agreement, as amended, is increased from \$3.85 to \$4.15.

#### ARTICLE XV - BENEFITS PROVIDED UNDER THE RAILROAD EMPLOYEES NATIONAL

##### HEALTH AND WELFARE PLAN

#### Section I - Continuation of Plan

Except as provided in this Article, the benefits and other provisions under the Railroad Employees National Health and Welfare Plan will be continued. Contributions to the Plan will be offset by the expeditious use of such amounts as may at any time be in Special Account A or in one or more special accounts or funds maintained by the insurer in connection with Group Policy Contract GA-23000, and by the use of funds held in trust that are not otherwise needed to pay claims, premiums or administrative expenses which are payable from trust.

#### Section 2 - Benefit Changes

The following changes in benefits provided under

the Plan and in matters related to such benefits will be made:

(a) Hospital Pre-Admission & Utilization Review Program This program shall include a comprehensive guidance and support structure for employees and other beneficiaries covered by the Plan and their physicians beginning prior to planned hospitalization and continuing through recovery period. The program shall include, among other things, review of the propriety of hospital admission (including the feasibility of ambulatory center or out-patient treatment), the plan of treatment including the length of confinement, the appropriateness of a second surgical opinion, discharge planning and the use of effective alternative facilities during convalescence. Reduced benefits will be provided if the program is not fully complied with. This program shall become effective not earlier than January 1, 1986 in order to provide adequate time to set up and communicate the program.

(b) Extension of Benefits - Vacation pay received by a furloughed employee shall not qualify such employee for any benefits under the Plan and will not generate premium payments on his behalf. This change shall become effective January 1, 1988.

(c) Reinsurance - Reinsurance will be discontinued not later than December 31, 1985.

### **Section 3 - Special Committee**

(a) A Special Committee selected by the parties will be established for the purpose of reviewing and making recommendations concerning ways to contain health care costs consistent with maintaining the quality of medical care; and reviewing the existing Plan structure and financing and making recommendations in connection therewith. In addition, the Committee may review and make recommendations with respect to any other matter included in the parties' notices with respect to the health care plan.

(b) The Committee shall retain the services of a recognized expert on health care systems to serve as a neutral chairman. The fees and expenses of the chairman shall be paid by the parties.

(c) The Committee shall be convened as promptly as possible and meet periodically until all of the matters that it considers are resolved. However, if the Committee has not resolved all issues by May 1, 1986, the neutral chairman will make recommendations on such unresolved issues no later than

June 1, 1986. Upon voluntary resolution of all issues or upon issuance of recommendations by the neutral chairman, whichever is later, the Committee shall be dissolved.

(d) The proposals of the parties concerning health benefits (specifically, the organization's proposals dated January 23, 1984, entitled "Revise Contract Policy GA-23000" and the carriers' proposals dated on or about January 12, 1984, entitled "C. Insured Benefits") shall not be subject to the moratorium provisions of this Agreement, but, rather, shall be held in abeyance pending efforts to resolve these issues through the procedure established above. If, after 60 days from the date the neutral Chairman makes his recommendations, the parties have not reached agreement on all unresolved issues, the notices may be progressed under the procedures of the Railway Labor Act, as amended.

(e) Agreement reached by the parties on these issues will provide for a contract duration consistent with the provisions of Article XVII of the Agreement, regardless of whether such agreement occurs during the time that the proposals of the parties are held in abeyance or subsequent to the time that they may be progressed in accordance with the procedures of the Railway Labor Act as provided for above.

#### ARTICLE XVI - JOINT INTERPRETATION COMMITTEE

Disputes arising over the application or interpretation of this agreement will, in the absence of a contrary provision, be referred to a **Joint** Interpretation Committee consisting of an equal number of representatives of both parties.

If the Committee is unable to resolve a dispute, it may **consider submitting** the dispute to arbitration on a national basis for **the purpose of ensuring** a uniform application of the provisions of this Agreement.