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Report

TO

THE PRESIDENT

BY THE

EMERGENCY BOARD

APPOINTED FEBRUARY 24, 1950
PURSUANT TO SECTION 10 OF
THE RAILWAY LABOR ACT

To investigate unadjusted disputes between certain employees represented by the Order of Railway Conductors and the Brotherhood of Railroad Trainmen, and the carriers represented by the Eastern Carriers' Conference Committee, the Western Carriers' Conference Committee, and the Southeastern Carriers' Conference Committee.

(NMB Case No. A-3290)

CHICAGO, ILLINOIS

JUNE 15, 1950

(No. 81)

LETTER OF TRANSMITTAL

CHICAGO, ILLINOIS, *June 15, 1950.*

THE PRESIDENT,
The White House.

MR. PRESIDENT: The Emergency Board appointed by you on February 24, 1950, pursuant to section 10 of the Railway Labor Act, to investigate a rules controversy involving substantially all of the Nation's railroads and certain of their employees, represented by the Order of Railway Conductors and the Brotherhood of Railroad Trainmen, has the honor to submit herewith its report and recommendations based upon its investigation of the issues in dispute.

Respectfully submitted.

ROGER I. MCDONOUGH, *Chairman.*
MART J. O'MALLEY, *Member.*
GORDON S. WATKINS, *Member.*

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*The numbering indicated in listing the Carriers' proposals is irregular to correspond with the official numbers employed, and does not include the issues or proposals withdrawn by the Carriers.

I. INTRODUCTION

Development of the Dispute

The emergency precipitating the establishment of this Board resulted from the announced intention of certain employees of the Nation's railroads, represented by the Order of Railway Conductors and the Brotherhood of Railroad Trainmen, to withdraw from service to enforce their demands for proposed new rules and changes in existing rules governing working conditions affecting primarily conductors, trainmen, yard service employees and certain dining car and other groups of employees. Upon being apprised by the National Mediation Board that the controversy threatened substantially to interrupt interstate commerce, the President, by Executive Order dated February 24, 1950, created this Board to investigate the dispute and report its findings. Involved in the dispute are about 180,000 yard and road train service employees.

The proposals of the Order of Railway Conductors and the Brotherhood of Railroad Trainmen which constitute a portion of the items in the current dispute between these Organizations and the Carriers represented by the Eastern, Western and Southeastern Carriers' Conference Committees were adopted in Cleveland in February 1949. Notices were served on the respective Carriers March 15, 1949. On or about March 20, 1949, the Class I Carriers involved in this controversy served on their employees, represented by the Order of Railway Conductors and the Brotherhood of Railroad Trainmen, notice of counter proposals concerning rules changes.

Conferences between representatives of the Organizations and representatives of the Carriers began on September 22, 1949. Sessions were recessed for Thanksgiving, but were resumed on November 28, 1949. Collective bargaining discussions reached an impasse and were completely deadlocked on December 14, 1949.

Failure of mutual agreement through the processes of collective bargaining resulted in the Carriers' decision to invoke mediation by the National Mediation Board. Mediatory conferences were commenced on January 16, 1950. The Board's efforts to

bring about a reconciliation of the differences between the parties failed. In accordance with the provisions of the Railway Labor Act, the Board proposed arbitration, which was declined by the ORC and the BRT on the grounds that certain of the issues dividing the parties were of such a nature as to preclude their submission to the processes of arbitration. The alternative action was to fix February 27, 1950, as the date for a withdrawal of services by the employees represented by the Organizations in the present controversy unless a satisfactory solution of the problems involved was forthcoming. No such solution was found, and on February 24 President Truman acknowledged the existence of an emergency and created the present Emergency Board.

In accordance with the President's proclamation, the Board convened in Chicago, Illinois, Thursday, March 2, 1950, for the purpose of receiving testimony and argument from the parties involved in the dispute. The Alderson Reporting Company of Washington, D. C. was appointed as the official reporter of the proceedings. Public hearings were held daily from Monday through Friday at 32 W. Randolph Street, from the above date to May 9, 1950.

The hearings had progressed for only a relatively short time before it became very apparent to the parties and to the Board that the evidence could not be presented within the statutory limits of thirty days. Upon stipulation of the parties and approval by the President two extensions of time were granted—to June 1 and June 15, respectively.

The Board offered its services in a mediatory capacity. Efforts to secure an agreement on the issues in dispute, through mediation, were unavailing. The Board thereupon went into executive session to analyze, sift and weigh the evidence, consisting of 49 volumes of 8385 pages, and 143 exhibits, preparatory to the submission of its report.

The Board desires to express its gratitude for the many courtesies accorded it by the representatives of the parties during the course of the proceedings. The parties are to be complimented on the admirable spirit that characterized their able presentation of evidence and their courteous cooperation with each other in facilitating the Board's investigation. The amicable and equitable adjustment of differences between management and labor in the railroad industry is greatly encouraged by such cooperative relationships.

The Board also wishes to express its sincere appreciation to the Bureau of Labor Statistics of the U. S. Department of Labor for making available the technical services of two of its

staff, Nelson M. Bortz who served as consultant, and Earl C. Smith who served as economist and executive secretary. Also, its thanks are due to Miss Marie Wosser, an indefatigable secretary, and Walter G. Rost who assisted in the final stages of the preparation of the report.

Proposals Under Consideration

The mere listing of proposals under consideration by this Board will indicate the rather exhaustive list of important issues involved here:

A. *Organizations' Proposals*

1. The Forty-Hour Workweek, Time and One-Half Rates for Sundays and Holidays, Increase in Basic Daily Rates, Elimination of Yard Service Daily Earnings Minima.
2. Restoration of Car Retarder Operators' Differential.
3. Establishment of Footboard Yardmasters' Differential.
4. Establishment of Graduated Rate of Pay Tables — All Classes of Service.
5. Restoration of Standard Wage Rates Between the Territories.
6. Equalization of Mileage in the Basic Passenger Service Day at 100 Miles.
7. Extension of the Principle of Time and One-Half for Overtime to Passenger Service.
8. Correction of Unreasonable and Unnecessary Initial Terminal Delay.
9. Expense Away from Home Terminal.
10. United States Mail Handling Allowance.
11. Proposals Relating to Dining Car Stewards: (a) Scope and Definition, (b) Basic Month and Overtime, (c) Minimums, (d) Reporting Rule, (e) Turnaround Assignment Rule, (f) Straightaway Assignment Rule, (g) Away-from-Home Terminal Rule, (h) Set-out Point Rule, (i) Interline Service Rule, (j) "Details of Assignments" Rule, (k) Extra Stewards' Runaround Rule, (l) Hotel and Travel Accommodations Rule.
12. Proposal Applying Provisions of Item 11 (Eleven) to Cooks.
13. General Savings Clause.

B. *Carriers' Proposals**

1. Forty-hour Workweek—Yard Service Employees.
4. Allowance in Lieu of Claims for Time and Half Pay, etc.

* Lack of consecutive numbering is to correspond with Carriers' official numbering of the issues, in Carriers' Exhibit A, pp. 29-35, and excludes issues withdrawn, or combined with others.

5. Time Held at Other Than Home Terminal.
6. Basic Day in Passenger and Through Freight Service.
7. Interdivisional and Intradivisional Runs.
8. Pooling Cabooses.
9. Coupling and Uncoupling Hose, Making Air Tests and Chaining and Unchaining Cars.
10. Elimination of Train Service Guarantees.
11. Reduction of Crews and Adjustment of Mileage.
12(1). Road Crews Performing Switching and Right to Establish and Eliminate Yard Engine Service.
12(2). More than One Class of Road Service.
14. Designation of Switching Limits and Use of Yard Crews Outside of Switching Limits.
16. Reporting for Duty.
17. Elimination of Train and Tonnage Restrictions.

The magnitude and significance of the Organizations' proposals and the Carriers' proposals will be evident from a detailed statement of the issues of the respective positions of the disputants.

II. THE ISSUES

A cursory glance at the proposals presented in the instant case will reveal the fact that the issues are numerous and complex, consequently are best expressed in the language of the parties themselves. Moreover, because of the detailed nature of the evidence and testimony before this Board, the positions of the parties must necessarily be summarized.

A. Organizations' Proposals

1. *The Forty-hour Workweek, Time and One-half Rates for Sundays and Holidays, Increase in Basic Daily Rates, Elimination of Yard Service Daily Earnings Minima.*

The following shall apply to:*

All classes or crafts of yard service employees, including affiliated crafts or classes, such as car retarder operators, hump motor-car operators, yardmasters, assistant yardmasters, footboard yardmasters, stationmasters, switchtenders, levermen, etc.

(A) The basic rate of all said classes or crafts of yard service employees shall be increased two and one-half (2½¢) cents per hour, eliminating the daily earning minima wherever now applicable.

(E) Forty hours, consisting of five calendar days of eight hours each, shall comprise the workweek. Yardmen shall be paid the equivalent of 48 hours' pay at straight time rates for 40 hours of straight time work and basic rates shall be adjusted accordingly. Hours in excess of eight on any day shall not be utilized in computing the 40-hour workweek. The first eight

* The irregular lettering that follows is to conform to the order followed by the Organizations.

hours paid for on any calendar day, including Sundays and holidays, shall be utilized in computing the 40-hour week.

(F) All regular assignments in yard service shall be for not less than five (5) consecutive calendar days per week of not less than 8 consecutive hours per day.

Yardmen, regular or extra, shall not be permitted to work more than five (5) days in a 7-day period unless the extra board has been exhausted and the exigencies of the service require the use of additional men; then senior yardmen who have expressed their desire to perform service in excess of five (5) days per week, shall be used in accordance with their standing on the seniority roster.

(B) All services in excess of eight hours each day (twenty-four hour period) or in excess of five eight-hour days (40 hours) in a week shall be paid for at overtime rates, but at not less than time and one-half.

(C) Employees required to perform service on Sundays and the following holidays—New Year's Day, Washington's Birthday, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas—shall be paid at overtime rates, but not less than time and one-half with a minimum of eight (8) hours.

(D) When any of the holidays enumerated in Item (C) hereof falls on Sunday, the following Monday shall be recognized and paid for as a holiday.

(G) The adjustment referred to herein shall not modify any basic day or monthly rule or any other rules or practices now in effect which are more favorable to the employees.

Organizations' Position.

Proposal 1(A): Increase of Two and One-Half Cents Per Hour in Basic Daily Rates and Elimination of Yard Service Daily Earnings Minima.

With regard to this matter the Organizations state that the 20 cents beyond basic daily rates guaranteed as a daily earnings minimum was introduced in 1947 (effective January 1, 1948) at the Carriers' suggestion, and was a method of increasing the rates of yard service employees while at the same time avoiding unbalancing the industry's wage structure. However, it is said, the Washington Agreement of 1948 did unbalance that wage structure by providing additional rates of 20 cents and 15 cents per day in the daily basic rates of yard service employees. The latter was an agreement between the Carriers and another labor organization (The Switchmen's Union of North America).

According to the Organizations, the existing situation means that yard service employees represented before this Board lack the essentials of a true time rate. The hourly rate, both straight time and overtime rate, is indefinite and uncertain, and is set only at the end of a day's service, not at the beginning. Moreover, it is urged, specific inequities between employees performing identical service under the same or similar conditions inevitably result. Although the sum involved is small, say the Organizations, the inequity is keenly felt by the employees concerned (Tr. 55-56; Employees' Ex. 7, p. 2).

It is indicated by the Organizations how an inequity arises and how it may be eliminated, if appropriate changes are effected. For example, the current basic daily rate of yard conductors is $12.91 per eight-hour day. If, on a given day, no overtime accrues to him, his wage for that day would be $12.91, plus 20 cents as a basic earnings minimum guarantee, or $13.11. If, on the other hand, he earns overtime on that day amounting to or exceeding 20 cents, the 20 cents minimum guarantee is absorbed into such additional payment. In the case of the yard conductor, 20 cents is the equivalent of about five (5) minutes overtime. Under the instant proposal the 20 cents daily earnings minimum is to be incorporated into the basic straight-time daily rates for all yard service employees. In other words, the Organizations are here proposing that the 20 cents daily earnings minimum now paid be made an integral part of the basic daily rates, whether or not the individual employee now receives the 20 cents daily earnings minimum (Tr. 602-4).

The Organizations contend that a sound wage structure applicable to time workers must contain three elements: (a) a definite and specific rate per unit of time, (b) uniformity of rate for all workers of the same classification performing the same work, and (c) overtime as true overtime and not absorbable (Employees' Ex. 7, p. 20). These basic principles can be implemented in the instant matter, the Organizations insist, by the inclusion of the 2½ cents per hour, or 20 cents per day, in the basic rate. This will also eliminate concurrently the inequity previously cited, say the Organizations (Tr. 55-56; Employees' Ex. 7, p. 21).

Proposal 1(B): The Forty-hour Workweek with Forty-eight Hours' Pay.

The principal issue in the instant case, according to the Organizations' own evaluation, is the proposal for a five-day 40-hour workweek, with no reduction in pay for what presently is a six-day workweek (Tr. 7927). In support of this proposal the Organizations, through written evidence and oral testimony, have advanced numerous arguments, the most important of which are here summarized.

Primary among the Organizations' arguments in support of the proposal is the increased productivity of the railroads which, in deference to the principles of equity and the maintenance of prosperity, should be shared with the Carriers' employees, it is contended. In this connection, it is pointed out that an increase in output per man-hour between 1921 and 1949 of approximately 102 percent was registered by American railroads, with an average of 3 percent for the entire period (Tr. 7928).

Statistical data from numerous sources are marshalled by the Organizations to indicate the impact of increased productivity upon the revenue of American railroads. Among others, Interstate Commerce Commission reports and the studies issued by the U. S. Bureau of Labor Statistics are cited as evidence of this trend. Among the data submitted are the following: (a) The revenue traffic units for each employee of American railroads was greater by two and one-half times in 1948 than it was in 1921, and almost one and one-half times greater than in 1936. That is, for every man-hour worked in 1948, two and one-half times more revenue traffic units were handled than in 1921, and 42.5 per cent more than in 1936. (b) Were it not for the increased productivity since 1939, the railroads would require a half million more employees in 1950; at the rate of production for 1936, the Carriers would now need 600,000 more employees. The rate of production, which was thus so greatly increased, precluded the necessity of hiring these additional employees. (c) If the railroad employees' productivity in 1948 were the same as in 1921, a million and three quarters more persons would be required to do the work; that is, today forty employees are doing the work which one hundred employees performed in 1921 (Tr. 57-59).

Productivity, say the Organizations, continues to increase each year, with devastating consequences for railroad employees through labor displacement (Employees' Exs. 8, 22). Here the significant factor is the revolutionary influence of Dieselization, which is not only increasing productivity at an unprecedented rate but is causing displacement of employees at a similar rate, because two Diesel locomotives replace three yard steam locomotives (Tr. 59). The Interstate Commerce Commission, it is stated, records a drop of 24 percent in the number of man-hours utilized by Carriers between 1948 and 1949. The loss of gainful employment is thus obvious (Tr. 59).

This increased productivity has not, according to the Organizations, been reflected in a corresponding advance in wages, but rather in a deterioration of the economic position of yard service employees in relation to workers in outside industries. It is stated that according to the evidence submitted in this case (Employees' Exs. 18, 21, 26, 27, 28, 29, 30), a comparison between 1921 and 1949 experiences will reveal an index per man-hour of 101 percent, with manufacturing employees having a real wage increase of 105 percent. In mining and agriculture, it is urged, employees have enjoyed larger increases. On the other hand, it is said, all employees in the railroad industry, except those appearing before this Board, have had an increase in real wages of only 82 per-

cent. The employees in yard service on American railroads have had an increase of only 52 percent in real wages since 1921 (8.5 percent since 1936, and 2 percent since 1939), it is stated. Thus both inter-industry and intra-industry inequities have resulted from this situation, the Organizations declare (Tr. 7929).

It is very clear, according to the Organizations, that the employees before this Board have lost the somewhat favorable position they once held in relation to workers in other occupations (Employees' Exs. 29, 30, 31, 32). This is true, it is stated, not only in regard to wages, but also in regard to other standards of progress. Practically without exception, it is urged, workers engaged in industrial pursuits throughout American industry have been granted the 40-hour workweek without any reduction in their take-home pay (Employees' Exs. 13, 17, 18). The "forty-eight for forty" is claimed to be a clearly established pattern in our industrial life.

Nor need one look so far afield, say the Organizations, since, beginning with September 1, 1949, the nonoperating employees of American railroads, constituting more than two-thirds of all the workers employed by the Carriers appearing before this Board, have enjoyed, under voluntary agreement with the Carriers, the 40-hour workweek without reduction in take-home pay (Tr. 7930). One must not forget, moreover, say the Organizations, that according to the Carriers' own figures on actual hours worked, all the road service employees, with some exceptions in local freight service, enjoy a workweek of 40 hours or less, without any disadvantage to take-home pay. Thus it would appear, say the Organizations, that yard service employees constitute the sole exception not only in American industry as a whole, but, almost without exception, in the railroad industry itself in this matter of the 40-hour workweek with sustained take-home pay.

The Organizations repeatedly return to the position that a substantial adjustment in pay is necessary to maintain for yard service employees their previous position compared with other workers. Indeed, it is urged, a reduction of hours to a five-day workweek of 40 hours and the maintenance of take-home pay are essential to restore the historical relationship of these yard service employees with comparable groups of workers in other industries. Yard train and switching service employees have had an increase in their real earnings of only 10 percent since 1936, the Organizations state. Consequently, say the Organizations, the adjustment of 20 percent involved in paying the current rate of 48 hours for only 40 hours of work will not suffice to close

the gap of increase in real wages, although it will minimize the inequity that obtains (Tr. 70).

The Organizations place considerable emphasis on the fact that the reduction of hours of work without a reduction in take-home pay is essential to the welfare and expansion of the productive economy of the United States (Employees' Exs. 13, 16, 18). Increased man-hour output, reduced hours of work, and increased real wages are, according to the Organizations, the economist's measure of economic advance (Tr. 61). Technological improvement, which is the manifestation of continuing industrial progress, necessitates the reduction of the workweek without a reduction in take-home pay, as well as a continual sharing with the workers of the results of greater productivity, in order that purchasing power might be constantly safeguarded, indeed, expanded, as a means of assuring the continuation of national prosperity, the Organizations declare. The interests of labor, management and capital are involved in such a readjustment, the Organizations insist (Tr. 7931-32). In short, they contend, there must be coordination of reduced hours of work and increased wages, on the one hand, with increased output per man-hour, on the other (Tr. 7932).

Nor are there any grounds for the fear expressed by the Carriers before this Board that the maintenance of take-home pay with a reduced workweek by these yard service employees will distort the wage relationship of such employees with other groups of workers in industry as a whole, or violate the accepted principles of wage determination, the Organizations insist. In support of this contention, it is pointed out that whether 1921 is taken as the point of departure, or 1929, as favored by the Carriers, or 1936 or 1939, the average wage of the yard service employees has deteriorated substantially when compared with the wages of skilled and semi-skilled employees in other industries. (Employees' Exs. 24-32). Only by working longer hours, the Organizations say, were the weekly earnings of these yard service employees held at reasonably acceptable levels. Measured in terms of straight-time hourly wages, they have slipped from third place to eighteenth place in rank, because of the failure to obtain proper adjustments in nominal and real wages to levels obtaining in other industries (Tr. 7933, Employees' Exs. 24-32).

The Organizations further point out that the maintenance of take-home pay with the forty-hour workweek for yard service employees will not distort their relationship with the wages of other employees in the American railroad industry itself. The evidence is clear on this point, they say, whichever of the years

cited by the parties is taken as the point of departure (1921, 1929, 1936, 1939). The Organizations declare that the final result is the same, namely, that other railroad employees have increased their wage rates, whether measured in terms of actual rates or in terms of purchasing power, far more than the wages of the yard service employees (Tr. 7933).

The Organizations insist that in weighing the merits of the proposal for a forty-hour workweek at no reduction in pay, the human cost of producing transportation, greatly enhanced with increased productivity, must be kept in mind. Evidence is submitted to show that work injuries or casualties per million manhours for both road and yard service employees were 80 percent higher in 1948 than in 1939. The increase in this human cost of producing transportation is far greater for these employees, it is claimed, than for employees in the railroad industry as a whole, and substantially greater than for employees in other industries, both manufacturing and non-manufacturing, in the United States (Tr. 60, Employees' Ex. 11).

Organizations' Position on Rules to Effectuate the Forty-hour Workweek. Rules changes designed to implement the forty-hour workweek are a source of disagreement between the parties. This issue is identified by the Organizations mainly as "overtime in yard service—extra men," and is contained in Section 9(1) of the proposed agreement for the establishment of a workweek of 40 hours, consisting of 5 days of 8 hours each, with two days off in each seven, for yard service employees. Section 9(1) reads as follows:

"(1) Existing rules which relate to the payment of daily overtime for regular yardmen and practices thereunder are not changed hereby and shall be understood to apply to regular relief men, except that work performed by regular relief men on assignments which conform with the provisions of Section 3 shall be paid for at the straight time rate.

"Current overtime rules relating to extra yardmen are cancelled as of the effective date of this agreement and the following will apply:

"Except as indicated below or when changing off where it is the practice to work alternately days and nights for certain periods, working through two shifts to change off, or where exercising seniority rights, all time worked in excess of eight hours continuous service in a twenty-four hour period shall be paid for as overtime on a minute basis at one and one-half times the hourly rate.

"In the application of this rule, the following shall govern:

"(a) This rule applies only to service paid on an hourly or daily basis and not to service paid on milegae or road basis.

"(b) A tour of duty in road service shall not be used to require payment of such overtime rate in yard service. (The term 'road service', as used in this paragraph (b), shall not apply to employees paid road rates, but governed by yard rules.)

"(c) A twenty-four hour period, as referred to in this rule, shall be considered as commencing for the individual employee at the time he started to work on the last shift on which his basic day was paid for at the pro rata rate.

"(d) Except as modified by other provisions of this rule, an employee working one shift in one grade of service and a second shift in another grade of service shall be paid time and one-half for the second shift, the same as though both shifts were in the same grade of service, except where there is another man available to perform the work at pro rata rate.

"Note (1): On railroads where a seniority board is in effect in cases where there is a man or men on such board available for work at the pro rata rate, a senior man who exercises his seniority to work two shifts, the second of which would otherwise, under the provisions of this rule, be paid at the overtime rate, shall be paid at the pro rata rate.

"Note (2): The adoption of this rule shall not affect any existing rule in the schedule of any individual carrier relating to service performed on a succeeding trick when an employee's relief fails to report at the fixed starting time."

This is, say the Organizations, only one of the many rules involved in effectuating the 40-hour workweek, which have been discussed with the Carriers. The Organizations point out that with regard to the rule governing overtime in yard service for extra men, consideration was given in the joint-conferences with the Carriers to adaptation of the rule agreed upon by the Carriers and the representatives of the Brotherhood of Locomotive Engineers, the Brotherhood of Firemen and Enginemen, and the Switchmen's Union of North America on August 11, 1948. This rule, the Organizations state, was not agreeable to the Order of Railway Conductors and the Brotherhood of Railway Trainmen, which prefer the rule proposed in Section 9(1) cited above (See Tr. 1825-32; Employees' Ex. 36, pp. 8-11).

In support of their position in the instant matter, the Organizations rely to an extent on the conclusion of the 1948 Emergency Board in the Railroad Nonoperating Employees 40-Hour Week Case*, which expressed the view that it is not reasonable to "recommend a principle that would thus have the effect of a minority binding the majority of the employees," and that "settlements made by a minority should not be binding on a majority of employees." The two Organizations before the present Board approve this view (Employees' Ex. 36, p. 9). Furthermore, the Organizations insist that the adoption of their own proposal will establish a rule providing payment on a just and equitable basis for overtime worked by extra yard service employees and at the same time provide a proper basis for such payment under a 40-hour workweek (Employees' Ex. 36, p. 9). It is stated by the Organizations that their proposed rule is also in accordance with the recommendation of Emergency Board 33 in 1946, and will

* Hereafter this case is referred to by its official number, "Emergency Board 66."

dispose of the distinction between regularly assigned men and extra men so far as the application of penalty pay for overtime is concerned (Employees' Ex. 36, p. 10).

Proposal 1(C), (D): Time and One-Half Rates for Work on Sundays and Holidays in Yard Service.

In advancing this proposal the Organizations emphasize that it is applicable only to yard service, and specifically does not include road service. The request does, however, cover all the yard service employees represented before this Board by the two organizations appearing here (Employees' Ex. 37, p. 1).

The Organizations rest their case on two main principles, which are closely interrelated, namely, (a) that Sunday and holiday work is undesirable from any standpoint, and (b) when such work is performed, it merits additional compensation specifically for sacrifices and disadvantages which it exacts of employees (Employees' Ex. 37, p. 34).

Premium pay for Sundays and holidays is necessary, the Organizations insist, to bring the railroad industry abreast of American industry generally. It is further contended that, unlike the vast majority of American workers, including great numbers of railroad nonoperating employees with whom they associate daily, the yard employees labor through Sundays and holidays without even the partial balancing of these social and human losses by premium pay for such work (Tr. 7945-46, Employees' Ex. 37). It is urged that premium pay for Sunday and holiday work is an established pattern in industrial relations throughout the United States. At best, the Organizations insist, premium pay for such work can never be compensatory for the disadvantages and inconveniences experienced (Tr. 7947).

The Organizations contend that the continuous nature of the railroad industry is not an adequate reason for denying to these yard service workers premium pay for Sundays and holidays since even in this type of industry in the United States the pattern of such premium pay is clearly and generally established (Tr. 7947, Employees' Ex. 37, pp. 9-32, 34). There is no valid reason, the Organizations protest, why railroad employees in any service should bear the cost of Sunday and holiday labor since in comparable industries, as in industry generally, additional pay is given the workers for such sacrifices as this type of work involves (Employees' Ex. 37, p. 34). The cost rightfully belongs to the Carriers in the instant matter.

Premium pay at time and one-half for Sundays and holidays in yard service would, the Organizations point out, merely extend to these workers a recognition which was accorded to workers generally by the Wage Stabilization Board even under the stress

of international conflict, and has been sanctioned by numerous arbitration awards in many industries in the past-war period (Employees' Ex. 37, Section IV; Tr. 73). Such action is obviously advantageous from a social, physiological, psychological, and economic point of view, the Organizations state (Employees' Ex. 37, pp. 6-8, Tr. 1895-1902). Many public utilities, including telegraph and telephone services, and many other industries characterized by continuous operations, such as steel production, have demonstrated the practicability and necessity of the instant proposal, the Organizations contend.

Proposal (1)F: Minimum Yard Service Assignments of Not Less than Five (5) Consecutive Calendar Days Per week of Not Less than Eight (8) Consecutive Hours; Limitation of the Workweek to Five (5) Days in Seven (7) Day Period Under Specified Conditions.

The apparent purpose of this proposal is to realize the principal objectives of a legitimate 40-hour week, and to attain the aims of the Organizations in seeking to create expanded work opportunities for the men in extra service. At various points in their testimony the Organizations stated desire to prevent regular men from working in excess of 5 days a week to the detriment of extra men's economic position. They also stated their desire to prevent all yard men, regular and extra, from working more than 5 days in 7 in the absence of exhaustion of the extra board or some extenuating circumstances which would necessitate employment beyond this point. Only under latter circumstances are senior yardmen, who have expressed a desire to do so, to be allowed to perform additional service in excess of 5 days per week, and then they are to be used in accordance with their standing on the seniority list. Since these provisions merely constitute methods of implementing the 40-hour workweek, they occasioned no extended discussion by either party.

Proposal 1(G): Saving Clause.

Such a clause as is here stated is customarily attached to proposals submitted in these cases, both by the Organizations and the Carriers, therefore, this matter provoked no discussion by the parties.

Carrier's Position.

Proposal 1(A): Increase of Two and One-Half Cents Per Hour in Basic Daily Rates and Elimination of the Yard Service Daily Earnings Minima.

The Carriers declare that the proposal of the Organizations to eliminate the 20 cents daily earnings minima now paid to conductors, brakemen and switchmen in the yard service, and to incorporate this 20 cents into the basic daily rates paid these employees is without merit (Tr. 8169; Carriers' Ex. 9).

In the first place, the Carriers point out, the 20 cents daily minimum guarantee rule was written in the schedules at the

specific request of the Organizations now before this Board which urged that, in the second round of post-war increases, some consideration be given the yardmen in the matter of wage adjustments. Since overtime is limited, the effect of the guarantee rule, say the Carriers, is to add about 15 cents to the daily earnings of yard conductors and brakemen and almost 20 cents to the daily earnings of switchtenders (Tr. 8169; Carriers' Ex. 9, p. 1).

The current demand of the Organizations can be understood only by reference to negotiations between the Carriers and the Switchmen's Union of North America later in the same year at Washington, the Carriers point out. In that conference it was suggested to the Carriers that the switchmen be given the choice of the 20 cents daily earnings minima provided for in the agreement with the trainmen, or the equivalent thereof, which involved adding 15 cents to the basic daily rates of conductors and brakemen and 20 cents to the basic daily rates of switchtenders. The Carriers complied with this suggestion, and the switchmen chose to take additions to their basic daily rates, the Carriers assert (Tr. 8170; Carriers' Ex. 9, p. 4).

It is this socalled "Washington Agreement" of 1948 which is occasioning the maneuvering for advantage in the instant matter, and which has been deprecated by the Organizations here, say the Carriers, (Tr. 638, 658, 676, 1845, 8170). What the Organizations forget, say the Carriers, is that immediately after the Washington Agreement, the Carriers offered the Trainmen the same rule as had been written into the Switchmen's Agreements (Tr. 8171; also Tr. 678, and Carriers' Ex. 9, p. 5). Both at that time and subsequently, the Carriers assert, the Trainmen have refused to substitute the Switchmen's rule for the daily minimum guarantee rule (Tr. 8171; see also Tr. 678, and Carriers' Ex. 9, p. 5). In essence, the demand here is that the yard conductors and brakemen represented by the Trainmen's Organization be paid a basic daily rate 5 cents in excess of that paid to yard conductors and brakemen represented by the Switchmen's Union of North America, which would create a new inequity in addition to the one which the Organizations here contend now exists, say the Carriers (Tr. 8173). Underneath this whole matter is the "vicious struggle" for position and power that rages ceaselessly between the organizations representing the railroad workers, the Carriers assert (Tr. 8173).

Proposal 1(B): The 40-Hour Workweek in Yard Service, with Maintenance of Take-Home Pay.

The Carriers insist that there exists no competent or creditable evidence in the record to suggest any reason for establishing a

scheduled 40-hour workweek for yard service employees. On the contrary, say the Carriers, there are many reasons why such a workweek should not be introduced. In the first place, the Carriers say, all yard service employees now have a 40-hour workweek if they desire to enjoy one. Secondly, it is declared that neither the Carriers nor yard service employees want a scheduled 40-hour workweek in yard service. Thirdly, the introduction of a 40-hour workweek in yard service would needlessly and pointlessly increase the expense and complexity of yard operations, according to the Carriers' contention. These contentions are developed in considerable detail by the Carriers in their opposition to the proposed shorter workweek.

The Carriers state that yard service employees control to a considerable extent the hours they desire to work or lay off in a given workweek, working ordinarily 30, 40 or 50 hours a week as they see fit (Tr. 3831-32, 8098). Extra boards are maintained by the Carriers, it is stated, to provide relief men for regular men who desire to lay off for purposes of leisure or business. Yardmen occupying 7-day assignments work on an average about 6 days per week, and those holding 6-day assignments work approximately 5 days a week, not because they have to but because they want to, say the Carriers (Tr. 3832-37, 8099; Carriers' Ex. 2, p. 1, and Ex. 5, p. 7). This arrangement, the Carriers urge, is much more liberal than that which obtains in outside industries (Tr. 8099), with the result that yardmen have much more leisure time and freedom with regard to work than employees in other industries since yardmen's 40-hour week is optional. In short, say the Carriers, the present 40-hour week in yard service is characterized by extreme flexibility, consequently is infinitely more satisfactory to both the Carriers and yardmen (Tr. 8100).

Further evidence that the scheduled 40-hour week is not desired by the men in yard service, say the Carriers, is found in the fact that hitherto no demand for the shortened workweek has been made. The instant demand developed, the Carriers allege, only when direct wage increases seemed difficult or impossible to obtain, with the consequence that the Organizations shifted their demands from the area of straight-time wage increases to proposed changes in rules, but for the same purpose — more money (Tr. 8101). Indeed, say the Carriers, the Brotherhood of Locomotive Engineers, seemingly recognizing that yardmen have a 40-hour workweek if they desire one, and perceiving that yard employees do not want a scheduled 40-hour workweek, has demanded a 20 percent increase in pay with no change in rules governing the hours of work per week (Tr. 3876-77, Carriers'

Ex. A. pp. 50-53, Ex. 10, P. 4). Moreover, it is asserted, the Brotherhood of Locomotive Firemen and Enginemen, which served a demand for a 40-hour workweek on many Class I properties, withdrew the demand on the Great Northern Railroad to avoid open rebellion against the substitution of a scheduled 40-hour workweek for the voluntary one that presently obtains (Tr. 4456, 8103).

Further evidence that the men themselves do not desire a scheduled 40-hour workweek is shown by the fact that the senior men (the men with the most seniority) prefer and exercise their seniority to fill 7-day assignments where they have maximum earning opportunities and yet have available as much leisure time as they desire (Tr. 3830, 3839-43, 8103; Carriers' Ex. 2, pp. 1a, 1b). The Carriers contend that the representatives of the Organizations before this Board have in the presentation of their case admitted the fact that yardmen do not want the scheduled 40-hour workweek. This is evidenced, the Carriers say, in the unwillingness to let local representatives of the Organizations and the local representatives of the Carriers in certain situations on individual properties set up joint yard and road extra boards. Under such an arrangement, the Carriers point out, yardmen undoubtedly would take advantage of the rule to reestablish the existing system which permits the employees to work or lay off as they desire (Tr. 5148-51, 8104). The approximately 95 percent strike vote obtained in the present rules movement does not, the Carriers think, provide convincing evidence in refutation of this fact (Tr. 8104-5).

The proposed scheduled 40-hour workweek would, the Carriers contend, greatly increase the expense and complexities of yard operations, quite apart from the proposed 20 percent increase in existing basic daily and hourly rates, which is considered later. This adverse consequence of the scheduled 40-hour workweek would develop without any increase in hourly rates of pay, say the Carriers. In this connection, the Carriers claim that the evidence is undisputed that yard service is a 7-day operation and must be carried on continuously to meet the demands of the traveling and shipping public. Because yard operations must be conducted 7 days per week the yards can be most efficiently operated by setting up 6 and 7-day assignments, depending upon the requirements of the service, say the Carriers (Tr. 3841, 8107-8; Carriers' Ex. 2, pp. 11-14; Ex. 3, p. 2; Ex. 5, pp. 2-4). Efforts to organize yard operations on a 5-day assignment basis have failed, the Carriers point out. Even in the largest yards, where the least difficulty would be encountered in handling the work with a

5-day assignment, the inevitable result of a scheduled 40-hour workweek would be considerable difficulty, complexity and confusion, it is stated. But it is in the smaller yards, which are numerous, that the greatest expense and difficulty would obtain since these yards cannot be manned with 5-day assignments without the payment of considerable deadheading, punitive overtime and pay for time not worked, say the Carriers (Tr. 4252-4255; 8108).

The demand for a scheduled 40-hour workweek for yardmen has two main purposes, say the Carriers. The first purpose is to obtain a 20 percent increase in pay, without which the Organizations would have nothing to do with the shortened workweek (Tr. 65-66, 69, 1621, 2158, 8111). The second purpose of the instant demand is to make work, to create jobs, and to add to the membership of the Organizations and so enhance their power and influence. It is the Organizations, not the men, that want a 40-hour workweek, say the Carriers. The net result is to take away the earnings opportunities of the men and compel the Carriers to employ more workers, the Carriers insist (Tr. 8112). In this connection, say the Carriers, it is well to remember that there has been no decrease in normal yard forces since 1921; there has been no loss of jobs through technological change in the yard services. Consequently, the Organizations seek not to safeguard work opportunities for existing members but rather to expand jobs as a means of recruiting additional members (Tr. 3885, 4622-24, 8114; Carriers' Ex. 2, p. 15; Ex. 3, p. 6; Ex. 5, p. 5).

There is no basis for the Organizations' contention that yardmen should be given a scheduled 40-hour workweek because road service employees have such a workweek, declare the Carriers. The fact is, say the Carriers, that the road service employees do not have a scheduled 40-hour workweek, although it is true that many of them work considerably less than 40 hours a week, as do many of the yardmen (Tr. 3832-37, 4628-30, 8115; Carriers' Ex. 2, p. 1, 44-45; Ex. 3, p. 14-17; Ex. 5, p. 7, 13; Ex. 39, p. 1-3). The shorter hours of work of some road service employees are due to mileage limitations imposed by their Organizations, the Carriers point out (Tr. 8116).

Maintenance of Take-Home Pay.

The demand for a scheduled 40-hour workweek with 48 hours of pay comprises two inseparable elements of a single issue, the Carriers contend, in that if the shorter workweek is not granted the 20 percent pay increase need not be considered by the Board. However, say the Carriers, if the 40-hour workweek is approved, then the solvency of a great many railroads necessarily depends

upon the disposition of the demand for a 20 percent increase in pay (Tr. 8128).

The position of the Organizations to the effect that the 40-hour workweek and the 20 percent increase in pay are inseparably connected suggests that this is in reality a demand for maintenance of take-home pay to cushion the shock which inevitably would follow lesser hours of work, the Carriers insist. That is, the Carriers urge, a demand for gift pay, a request for something for nothing (Tr. 8129).

If, as appears to be so, say the Carriers, the Organizations are here contending that yard service employees are entitled to a 20 percent increase in pay, regardless of the establishment of the shorter workweek, because these employees have lost position in relative average levels of wage rates compared wtih certain other selected groups of workers, then the proposed pay increase must be justified on the basis of recognized wage factors, such as changes in the cost of living, in job content, and in relative levels of earnings of comparable workers employed in the railroad and other industries. The fact is, say the Carriers, that the 20 percent increase in wages cannot be justified either as a request for gift pay or on accepted wage factors (Tr. 8130).

In consideration of both elements of the demand (the theory of gift pay and the theory of restoration of previous relative wage position), the Carriers take an unmistakable position. It is urged, first, that the gift pay theory does not support the demand for a 20 percent wage increase. It is important to consider, say the Carriers, whether or not a reduction in earnings of these employees, commensurate with the proposed reduction in the value of their services, would impose an unfair or undue hardship upon them. The Carriers' unequivocal answer is that no gift pay is required to avoid such hardship since the average hourly earnings of these workers now greatly exceed the average hourly earnings of other workers, both within and without the railroad industry. Indeed, say the Carriers, the average annual earnings of these employees under a 40-hour workweek would also greatly exceed the average annual earnings of workers within and without the railroad industry with no increase in present hourly rates (Tr. 8131; Carriers' Ex. 10, pp. 30-32, 41-45; Ex. 10-A, pp. 37-42, 51, 54).

Furthermore, state the Carriers, it is appropriate to inquire whether the gift pay demanded by these Organizations for yard service employees would impose a hardship upon the Carrier. The answer to this is unmistakably present in the evidence submitted here, the Carriers contend; the railroads simply cannot afford to

pay 48 hours' pay for 40 hours' work (Tr. 8132; Carriers' Ex. 3, pp. 3, 64, 65; Ex. 38, pp. 1, 20). The gift pay demanded by these Organizations, if granted to other operating employees, might eventually lead to the insolvency of many of the Carriers, it is alleged (Tr. 4007; Carriers' Ex. 38, p. 17).

The cost of such gift pay, the Carriers point out, would give other transportation agencies an extraordinary advantage over the railroads in the competitive struggle for freight and passenger service; the railroad industry can survive only by curtailing expense and eliminating "featherbedding," that is, gift pay for time not worked. It is thus very clear, say the Carriers, that yard service employees are better able to withstand the shock of a scheduled 40-hour workweek than are the railroads (Tr. 4096, 8132; Carriers' Ex. 21, p. 37; Ex. 38, p. 1, 20).

What, inquire the Carriers, may be said concerning the Organizations' argument that take-home pay has been maintained in other cases and in other industries where the hours of work have been reduced? The contention rests on a false assumption, say the Carriers. Not one of the important national movements for a reduced workweek in industries other than railroad industries was take-home pay maintained, the Carriers endeavor to show (See Carriers' Ex. 10, p. 10-24). The reduction of hours of work in outside industry during the period of the National Industrial Recovery Administration was not accompanied by the maintenance of take-home pay, state the Carriers (Tr. 8133; Carriers' Ex. 10, p. 14). It is true, say the Carriers, that the minimum wage provisions of the NRA codes and the President's reemployment agreement had the effect of increasing the hourly earnings of workers in industries that had been paying sub-standard wages, but the earnings of workers receiving comparatively higher hourly incomes was not affected (Tr. 8133-34; Carriers' Ex. 10, pp. 10-14). What increases were received by higher paid employees merely restored loss in average hourly earnings suffered during the depression, and had no relationship to the establishment of a 40-hour workweek in outside industries (Tr. 8134; Carriers' Ex. 10, p. 14-16; Tr. 8134). The Carriers further state that weekly earnings were not maintained following V-J Day with the restoration of the 40-hour week in outside industries (Tr. 8134; Carriers' Ex. 10, p. 17). Wage adjustments, concomitant with reduction in hours, were mostly to cover cost of living increases, but such adjustments were made for railroad workers and outside industry workers alike, the Carriers state (Tr. 8135; Carriers' Ex. 10, pp. 17-20). Even in the transit industry, cited as exemplary in this matter by the Organizations, only a few

instances exist in which take-home pay was maintained with the establishment of a reduced workweek, the Carriers declare (Tr. 8136-37; Carriers' Exs. 10, 40, 10A).

Nor can the 20 percent wage increase demanded by the Organizations for yard service employees be justified upon established factors in wage adjustments, the Carriers contend. This is true, say the Carriers, whether one considers the cost of living factor, changes in job content, or relative shifts in earnings position compared with other workers. Indeed, state the Carriers, the Organizations rely entirely on one wage factor, namely, relative levels of earnings, insisting that yard service workers have lost their relative earnings position (Tr. 8142; Carriers' Ex. 10, pp. 32-36). The Carriers also contend that traditional wage relationships do not furnish a valid basis for wage adjustments since it is practically impossible to determine what other indusrties in any particular case are comparable to the one under consideration (Tr. 8145). Many considerations militate against comparability, say the Carriers, among which are geographical location, varying ratios of labor costs to total production costs, differences in competitive situations, financial condition, etc. (Tr. 8145; Carriers' Ex. 10, p. 37; Ex. 10-A, p. 46).

Traditional wage relationships do not support the demand for a 20 percent wage increase, say the Carriers. If, however, it is assumed that such traditional wage relationships are an appropriate basis for adjustment of the rates of yardmen, in the event a scheduled 40-hour workweek is recommended by the Board, the Carriers insist that the evidence warrants denial of the demand for a 20 percent increase in rates of pay. The alternative adjustments in rates of pay or earnings are many, the Carriers point out, depending upon the point of departure in measuring wage changes. If the relationship between the rates of pay of earnings of yard service employees and production workers in outside industries since 1921 is to be considered, an increase in the hourly rates of yard service employees of 6.3 cents is sufficient to reestablish such traditional relationship, the Carriers insist (Tr. 8147; Carriers' Ex. 10, p. 31; Ex. 10-A, p 37).

If the base used is the average earnings of these classes of employees during the years 1929 to 1939, an increase of 9.1 cents per hour in the hourly earnings of yard service employees is adequate to restore the alleged traditional relationship, the Carriers state (Tr. 8147, Carriers' Ex. 10, p. 31; Ex. 10-A, p. 37). To reestablish the relationship between the earnings of production workers in the durable goods industries and the yard service employees' earnings, as that relationship stood in 1932, a 10.9

cents per hour increase in the rates of pay for yardmen is indicated, according to the Carriers (Tr. 8147-48; Carriers' Ex. 10, p. 31; Ex. 10-A, p. 40). This relationship of 1932 was not a traditional one, the Carriers say, but rather reflected the severe reductions in hourly earnings of production workers in outside industries resulting from depression conditions, which had no counterpart in the railroad industry (Tr. 8148; Carriers' Ex. 10-A, p. 37). In this connection, it is stated by the Carriers that in 1932 the average straight-time hourly earnings of production workers were nearly 18 percent lower than in 1929, while the average hourly earnings of yard conductors, brakemen and switchmen were only 9 percent lower than in 1929 (Tr. 8148; Carriers' Ex. 10, p. 15; Ex. 10-A, p. 15). Thus, say the Carriers, an increase of approximately 6 or 7 cents an hour is all that is required to restore the true relationships between the earnings of production workers in durable good industries and the earnings of yard service employees (Tr. 8184). This is apparent from data published by the U. S. Bureau of Labor Statistics setting forth relative earnings of all production workers during the period 1923-1932. The difference between 1932 earnings and average 1923-1932 earnings for production workers was 6.8 cents, but for yard service employees it was only 3.6 cents, say the Carriers (Tr. 8149; Carriers' Ex. 10-A, p. 37, 58).

The Carriers contend that even if the "erroneous formula" used by Emergency Board 66 in reaching its conclusion in the socalled nonoperating case, which resulted in a 20 percent increase in the rates of pay for nonoperating employees, is applied in the instant case, only 13.7 cents per hour in the earnings of yard service employees would be required to reestablish the relationship that existed between the earnings of yard service workers and nonoperating employees from 1921 to 1947 (Tr. 8151; Ex. 10, p. 44; Ex. 10-A, p. 50). The Carriers emphasize the point that 13.7 cents per hour increase in the rates of pay for yard service employees constitutes the absolute ceiling dictated by the facts and reason. Any greater increase than this, say the Carriers, would immediately be seized upon by the nonoperating employees as creating a new inequity within the railroad industry itself and would result in charges of unfair and discriminating treatment, with resultant demands for new wage advances (Tr. 8151-52; Carriers' Ex. 10, p. 45).

The report of Emergency Board 66, which the Organizations in the instant case employed to support their positions, cannot be used as a precedent in the case before this Board, say the Carriers, not only because that earlier Board's method of calculation was erron-

eous, but also because that Board sought merely to reestablish traditional wage relationships between nonoperating employees and workers in outside industries, say the Carriers. There are other reasons why that Board's findings are inapplicable here, the Carriers insist, namely, those which arise from the differences in the situations of yard service employees and nonoperating employees. Among these differences are (1) the factors of technological unemployment, (2) relative increase in productivity, (3) the practicability of compression and deferment, (4) the comparative length of the workweek in the two classes of service under consideration, (5) the factor of interchangeable seniority in road and yard service, (6) the influence of pay rules, (7) comparative wage increases, (8) rates of pay in the two classes of employment (Tr. 8154-8162).

There is yet another factor worthy of consideration in the instant matter, state the Carriers, namely the greater cost of applying the five-day workweek for yardmen than for nonoperating employees. A scheduled 40-hour workweek in yard service will entail deadheading, payment of punitive overtime and payment for time not worked, because the yards must be operated 7 days each week, and yard work cannot be deferred, compressed, or performed in advance (Tr. 4252-56, 8164; Carriers' Ex. 2, pp. 11-14; Ex. 3, p. 2; Ex. 5, pp. 2-4).

The Carriers take great pains to point out that they do not subscribe to the Organizations' national productivity theory, under which it is urged that these yard service employees are entitled to a 20 percent increase in their rates of pay in order that their increases in real earnings should be equal to increases in the productivity of the national economy. But, say the Carriers, even if such a theory were accepted, it would require an increase of from 6 to 14 cents per hour in the rates paid yardmen. Which of these figures should be applied depends upon the economic and statistical authority one accepts, say the Carriers (Tr. 8167-68; Carriers' Ex. 10, and Ex. 10-A). Moreover, say the Carriers, evidence supports the conclusion that an increase of less than six (6) cents per hour in the rates of yardmen is necessary to yield increases in real earnings commensurate with the increases that have occurred in the national productivity (Tr. 8168; Carriers' Ex. 10; Ex. 10-A; Tr. 7829-31).

Proposal 1(C), (D): Time and One-Half Rates for Work on Sundays and Holidays in Yard Service.

The Carriers say that the demand for premium pay for work on Sundays and holidays in the railroad industry has frequently been advanced throughout a long period of time, and has always promptly been denied in accordance with similar action in other

continuous service industries; only rarely, say the Carriers, have punitive rates been paid for work performed on Sundays and holidays in continuous service industries in the United States (Tr. 8175-76; Carriers' Ex. 12, p. 10). In this connection, the Carriers cite the 1947 demand for Sunday and holiday penalty pay by all five of the organizations representing railroad operating employees, in which instance the conductors and trainmen withdrew their demand, while the engineers, firemen, and switchmen, who carried their issue to Emergency Board 57 in 1948, met with emphatic rejection on the part of that board (Tr. 8176; Carriers' Ex. 12, p. 5-6; Carriers' Ex. B. pp. 415, 552-54). The Carriers brand as false the contention of the Organizations that the recommendation of that Board was based on the fact that the request applied to both yard service and to read service employees. Indeed, say the Carriers, the Board, had it desired to do so, could have recommended the rule exclusively for yard service employees and could have omitted the road service employees from its scope (Tr. 8176-77; see also Tr. 5323-25).

The Carriers claim that it is not the practice to pay punitive rates for work performed on Sundays and holidays by operating personnel in the transportation industries which compete with the railroads, such as the transit industries, inter-city bus lines, and airlines (Tr. 8177; Carriers' Ex. 12, pp. 10-12). The Carriers say that while it is true that premium rates are paid for work on Sundays and holidays by some trucking companies, the employees of such companies generally do not work on Sundays and holidays except in emergencies (Tr. 8177-78; Carriers' Ex. 12, pp. 12-13).

Even in manufacturing industries, the Carriers contend, premium rates are not paid for Sunday work in those divisions and departments in which continuous operations exist, but are confined to those employees in operations that may be and usually are discontinued on Sundays and holidays (Tr. 8178; Carriers' Ex. 12, pp. 8-10).

Rather than recommending premium pay for work performed on Sundays by railroad nonoperating employees, Emergency Board 66, whose findings are much favored by the Organizations here, actually recommended that rules now appearing in the schedules providing for premium Sunday pay be abolished, the Carriers declare (Tr. 8178; Carriers' Ex. E, p. 45). Nor did that Board recommend any change in rules providing premium pay for work performed by nonoperating employees on holidays, the Carriers state. Moreover, it is urged, premium pay for nonoperating employees in the matter of work on holidays has no significance in the instant case because only a minority of non-

operating employees are required to work on holidays, whereas yard service must be performed on holidays as on other days (Tr. 8178; Carriers' Ex. E., p. 45, and Carriers Ex. 12, p. 17). Nor must it be forgotten, say the Carriers, that a nonoperating employee can be called for a few hours of work on a holiday and paid for the service actually performed, while yardmen must be paid a full day's pay if called to perform any work, no matter how little, on such a day (Tr. 8179).

Carriers' Position on Rules to Effectuate the 40-Hour Workweek. As already indicated in discussing the Organizations' position in the instant matter, there is considerable agreement between the parties with regard to the changes in existing rules that would be necessary in the event this Board should recommend a 40-hour workweek for yard service employees. There are, as already suggested, certain differences between the parties in regard to this matter (Tr. 5109-5265). These differences mostly involve the following, according to the Carriers:

1. Sections 3 of both the Carriers' and the Organizations' proposals, which have to do with the matter of protecting the service on days off of regularly assigned employees.

2. Section 8 of the Carriers' proposals and Section 9 of the Organizations' proposals relating to the payment of overtime to extra employees.

3. Section 9 of the Carriers' rules which contains a proposal for revision of the yard service starting time rule.

The Carriers contend, first, that the issue presented by Section No. 3 of the respective proposals arises because the organizations propose to impose restrictions and limitations upon the Carriers when scheduling work for the sixth and seventh days, of the relief days, of regularly assigned yard crews. It would appear that the Carriers wish to have work on the sixth and seventh days (or relief days) performed by regularly assigned relief crews, or by extra or unassigned employees, or by both, as may best serve the needs of efficient and economical operations, whereas the Organizations, say the Carriers, seek to force the railroads to have such work performed by regularly assigned relief crews (Tr. 8120; also see Employees' Exhibit 38, pp. 4-8). The purpose of the Organizations here, say the Carriers, is the additional gift pay which inevitably would accrue if the Carriers were forced to establish regular 5-day relief assignments to perform relief work since more men will be required to get the job done (Tr. 8120; see also Tr. 5122-27, 5146). The Carriers characterize the purpose here as "further featherbedding," and as a clear indication that the aim of the demand for a 40-hour

workweek is the employment of unnecessary men (Tr. 8121; also Tr. 5150).

The second major difference between the parties, according to the Carriers, involves overtime for extra yardmen (Section 8 of the Carriers' rules proposals, and Section 9 of the Organizations' proposals). The Carriers contend that the overtime proposals of the parties are not directly related to the establishment of a shortened workweek since in December 1947 the Trainmen and the Carriers concluded an agreement establishing a new overtime rule in yard service (Tr. 8122; Carriers' Ex. B., p. 485). In August of the following year, it is pointed out, as a result of the recommendation of an emergency board (Carriers' Ex. B, pp 547-49) a slightly different rule was agreed upon in negotiations between the Carriers and the engineers', firemen's, and switchmen's organizations. The Carriers have given the Trainmen the choice of retaining the December 1947 rule or the rule accepted in behalf of the latter organizations, but the Trainmen will take neither one, say the Carriers (Tr. 8122; also Tr. 5164-5). The Organizations seek here an advantage which would create a new inequity to replace the one alleged to obtain presently, the Carriers declare (Tr. 8123).

A third principal difference between the parties relating to rules changes involves Carriers' proposed Section 9, the starting time rule, according to the Carriers. The Carriers point out that the matter of starting time for yard crews, unlike the overtime issue, is directly and immediately related to the problem of establishing a scheduled 40-hour workweek in yard service, since it would be extremely costly to schedule assignments on a 5-day basis without some change in the starting time rule and the existing starting time rule would interfere with the efficiency of operations and necessitate the payment of considerable punitive overtime and pay for time not worked under a scheduled 40-hour workweek (Tr. 8124, 3954-57, 5229-46; Carriers' Ex. 11, pp. 5-12). The Carriers' proposals, it is urged, would avoid the employment of unnecessary men and payments for idle time, hence the necessity of revising the starting time rule. The Carriers say that the Organizations' objections to the Carriers' proposed rule change in this matter are based upon a desire to encourage the employment of unnecessary men and to increase union membership (Tr. 8125).

The Carriers further state that the Organizations have refused to bargain in good faith with the Carriers for necessary changes in the starting time rule as contemplated in the December 1947 Agreement, and the recommendation of Emergency Board 57 (Tr. 8125-26; Carriers' Ex. B, pp. 488, 569; Ex 11, pp. 13-15).

Analysis and Recommendations

It is not necessary to labor the question as to whether the 40-hour workweek should be introduced for all classes of crafts in the railroad yard train service; the shortened workweek of 40 hours is a widely established pattern in American industry.

Common knowledge sustains the evidence presented by the Organizations in the present case concerning the generally accepted pattern of the 40-hour workweek. Moreover, the established pattern of hours of work is 40 basic work hours per week with time and a half for overtime. In addition to the National Industrial Recovery Act (1933), public policy seeking to implement the 40-hour workweek has been clearly and definitely expressed in the Walsh-Healey Public Contracts Act (1936), which provides for a basic 8-hour day and a 40-hour week on all contracts entered into by the United States Government for the manufacture or furnishing of materials, supplies, etc., in excess of $10,000. The same policy is even more articulately expressed in the Fair Labor Standards Act of 1938. Both of these laws, moreover, seek to assure a genuine 40-hour workweek by prescribing a wage rate of not less than time and one-half for all hours in excess of 8 per day and 40 per week.

In private industry and business, it is the same story. The 40-hour workweek is increasingly the pattern followed in many phases of the transportation industry, including local transit, highway busses, motor trucking, air lines, and pipe lines. In durable-goods and consumer-goods industries, as in the communications and public utilities industries, a similar workweek is general.

Most importantly, from the standpoint of the instant request of the Organizations, the President's Emergency Board 66 of 1948 in its report of October 18, 1948, recommended the establishment of a 40-hour workweek for nonoperating railroad employees. This group constitutes more than two-thirds of the total number of employees in the railroad industry.

The fact that a partial motive for the shorter workweek has been to increase wages does not invalidate the sound economic, physiological and social principles that dictate its adoption. Such a motive obviously is present in the instant proposal, but this fact should not, we think, militate against the establishment of the 40-hour workweek in railroad yard train service.

A basic 40-hour workweek does not, of course, comprehend the whole of the Organizations' demands. They also seek other adjustments, including a wage increase of two and a half cents (2½c) per hour, with elimination of the present daily earnings minima

guarantee; compensation of 48 hours pay for 40 hour's work, designed to maintain take-home pay; time and one-half for Sundays and holidays; the payment of not less than time and a half for all services in excess of 8 hours each day (24-hour period) or in excess of five 8-hour days (40) hours in a week; and the retention of all rules and practices now existent which are more favorable to the employees. It is in this series of additional requests that the elements of doubt and uncertainty obtain rather than in the demand for a basic 40-hour workweek. To the problems involved here the Board now addresses itself.

The Board clearly recognizes that: (1) the present daily earnings minimum of twenty cents (20c) was written into the schedules at the specific request of the Organizations, (2) that the Carriers have extended to the Organizations a choice of this guarantee or a settlement similar to that made with the Switchmen's Union of North America, and (3) there is in the demand for a two and a half cent (2½c) increase in the basic daily rate a desire for organizational advantage and prestige. The Board also recognizes that the amount involved is a modest one, and is currently paid in the form of the daily earnings minima guarantee the elimination of which is simultaneously sought here. It is true, nevertheless, that the guarantee as set up constitutes an element of uncertainty in the wage structure and occasionally causes some inequity. For these reasons we believe that the financial consideration involved in the incorporation of the guarantee into the basic daily rate is a relatively small price to pay for employee goodwill in the instant matter.

Payment of time and one-half for all services in excess of 8 hours each day (24-hour period) or in excess of five 8-hour days (40 hours) in a week is obviously a necessary complement to the establishment of the 40-hour workweek; without such a provision the shortened workweek could not be implemented.

The payment of premium pay for Sundays and holidays in what is essentially a continuous process industry, or in a continuous process phase of an industry, is a much less clearly established claim than that for time and one-half for services in excess of 8 in any one day, or 5 days in any one week. It is necessary to remember here that the railroad industry is essentially a continuous process industry in that trains must be run, in both freight and passenger services, to meet the needs and requirements of the travelling and shipping public. It avails little, we think, to draw an analogy between the types of services performed by operating and nonoperating employees. The evidence is clear that a large proportion of the functions of nonoperating employees

do not have to be continued on Sundays and holidays, consequently premium pay for nonoperating employees who work on such days is not likely to constitute an inordinate burden for the Carriers. It is quite otherwise with train movement functions, which cannot be dispensed with because of the character of the day that results from religious practice or social tradition. This is not to say that premium pay for services in excess of five 8-hour days, or 40 hours in a week, should not be paid to employees in railroad yard service; the case for that practice is unmistakably clear. As already indicated, this is imperative to protect a genuine shortened workweek.

We come now to what is properly regarded by both parties as the primary issue in the instant proposal, namely, the payment of 48 hours of pay for 40 hours of work. Regardless of precedent both outside of the railway industry and within it, this issue is not so clearly defined as to warrant an easy decision. It is necessary to examine a wide range of relevant data and to perceive clearly the significant implications of the instant demand in order to reach a reasonable and equitable conclusion.

In regard to the issue of 48 hours of pay for 40 hours of work, characterized here as the "maintenance of take-home pay," it is necessary to comment, first, on certain areas of testimony and evidence in which there is no apparent unqualified agreement between the parties. These include, among others, the factors of productivity, comparative accident frequency and severity, the minimum standard of living, the precedents set in other industries, and the position of yard service employees in relation to selected groups of employees in other skilled and semiskilled occupations.

Gains in productivity as a basis of wage adjustment, whether related to the maintenance of take-home pay or not, invariably occasion considerable difference of expert opinion. It has been so in the instant case. There was obvious difference of opinion as to the rate of increase in productivity for the American economy as a whole during a specified period of time and also as to the cause of the increase of the railroads' productivity in particular. There was a measure of agreement between the expert witnesses in this case to the effect that labor should share adequately in the increasing productivity of the economy, and that railroad workers should share in the increased productivity of the railroads. Conflict of opinion developed chiefly over the questions as to whether or not labor in the railroad industry, including yard service employees, have not already obtained an equitable share of the increased productivity of the industry, and to what extent, if any, a further upward adjustment of wages is necessary to

this end. Here the evidence is conflicting and expert opinion equally so, which presents a not too helpful situation for the Board. The basic difficulty is the practical impossibility of measuring the contribution of any single factor in production to total productivity. Economists and statisticians have not yet constructed a formula that is wholly reliable in this matter. Production is a cooperative effort and the contribution of each factor in production is merged with the contribution of every other factor. The best that can be said is that there is considerable soundness in the concept that if the American economy is to prosper and progress the purchasing power of the great mass of people must keep pace with increasing productivity of industry, otherwise the product of industry cannot and will not be absorbed and economic recession inevitably will set in. Perhaps it is appropriate to observe here that purchasing income necessarily depends on productive efficiency. With regard to the railroad industry, there can be no doubt that the increased productivity has been largely a consequence of the heavy investment of capital in improved equipment and facilities. But improved equipment and facilities require manpower for their application and manipulation; therefore, it seems to us, labor is entitled to participate in the results of increased output.

That the workers in an industry like railroading should receive wages commensurate with their occupational risks is a generally accepted opinion. However, the evidence submitted here in support of the claim of maintenance of take-home pay partially as compensatory for assumed risks is not sufficiently convincing to warrant the use of these comparative accident data as a controlling influence in the determination of judgment in this matter.

Similarly, the Board finds it difficult to relate to the specific problem before us socalled workers' budgets or minimum standards of living. Wide disagreement obtains with regard to the usability of such budgets in wage adjustment cases; they are usually accepted as helpful guides, particularly in cases involving wage earners known to be receiving substandard levels of pay, but always they are used with reasonable caution in other wage determinations. As will be shown later, the annual earnings of the group of employees presently before this Board scarcely can be said to represent substandard levels of income.

Concerning the precedents set by other industries in the matter of maintenance of take-home pay when a shortened workweek is introduced, the parties before this Board found themselves in vigorous disagreement, each casting doubt on the accuracy and validity of the data employed by the other and on each other's

interpretation of said data. According to the Organizations, (Exhibit 76) their data show that weekly take-home pay has been maintained or increased in 75 to 80 percent of 207 cases cited where weekly hours were reduced. This Board's analysis of these data shows that in 104 cases, or 69 percent of the 151 cases for which information was available on the number of hours by which the workweek was reduced, there was a reduction of 4 hours or less in the workweek. Considering the data further, it appears that the workweek has been reduced by 8 hours in only 20 cases, and by more than 8 in 6 additional cases. In the 17 cases where the reduction in weekly hours was from 48 to 40, full maintenance of take-home pay was indicated in but 7 instances; partial maintenance was apparently obtained in 9 cases, and in 1 case the adjustment in wages was unknown. In brief, this exhibit, while presenting an interesting array of individual wage-hour settlements, falls short of demonstrating in a convincing manner a widespread practice of full maintenance of take-home pay, particularly when the workweek is reduced by as much as 8 hours.

What of the relevancy of the Emergency Board's recommendation of the 40-hour workweek with 48 hours of pay for nonoperating employees, effective September 1, 1949? The situation and the evidence in that case do not, we think, necessarily set a pattern for a recommendation in the instant case. There are fundamental differences between the group of occupations represented by the employees before the 1948 Emergency Board and the group of occupations represented by the Organizations before the present Board. Viewed functionally, these two sets of occupations present marked differences in job content, the one being characterized as operating and the other as nonoperating. As a consequence of this, the problems involved and the principles determining the maintenance of full take-home pay, that is, the payment of 48 hours of pay for 40 hours of work, are different in the two cases. These differences deserve consideration.

It must be remembered, first, that most nonoperating employees work in the noncontinuous phase of the railroad industry, so that 6 and 7 days of work are not imperative. There is nothing in the demands of the travelling and shipping public which normally will compel the railroads to employ these workers on a 6 or 7 day basis. It is quite otherwise with the operating employees before this Board, whose functions must be performed on the sixth and seventh day, with relatively minor variations, in order to meet the demands of the travelling and shipping public. Passenger trains cannot arbitrarily be cancelled nor freight movements suspended in order to escape completely or minimize significantly

the financial impact of a 40-hour week at 48 hours of pay for yard service employees. In other words, the Carriers were able to make adjustments which help to cushion the shock of a 40-hour week at 48 hours of pay and time and one-half for overtime in the case of nonoperating employees; they can do so to only a limited extent in case of such changes in hours and compensation for yard service employees. In the latter case it is not so possible to compress, defer, and postpone work as it is in the former instance, consequently the cost factor is vastly different. It is essential to remember in this connection that no matter how effectively it may be concealed, the demand for a 40-hour work-week with 48 hours of pay is a demand for a 20 percent increase in wage rates, and that the Carriers indicate the additional cost of this proposal alone would be $63,400,000 (Carriers' Ex. 31, p. 1).

Nor should it be forgotten that the recommendation in the non-operating case was made partly in the light of the fact that the average hourly earnings of nonoperating employees were uniformly lower than in comparable manufacturing industries. Later in our discussion we shall indicate that that conclusion does not hold true for operating employees, including yard service employees. We conclude, therefore, that our recommendation in the instant case must rest on the evidence before this Board rather than on the evidence submitted to another emergency board considering a distinctly different class of occupations and employees.

Before leaving this comparison of the differences between the occupations and employees before Emergency Board No. 66 in 1948 and those before the present Board, it is appropriate to point out a still further difference of considerable importance, namely, the comparative stability of employment opportunity in the two sets of occupations. Emergency Board 66 found that whereas in 1921 the nonoperating employees constituted 76.7 percent of all railroad employees, by 1947 this percentage had declined to 71.5, which indicates, that Board stated, that "improvements in equipment and methods have had their greatest affect on these employees" (Report, p. 13). It would appear that the Board not only deemed it necessary to maintain the take-home pay for this group of employees as a compensating factor for lagging wages, but also deemed such maintenance necessary as a measure of compensation for the uncertainty of continued employment resulting from technological changes.

No such technological displacement has appeared in the case of yard service employees. Although employment in the railroad

Table 1.—Employment, Average Hours and Earnings, Yard and Road Train Service, Class I Railroads, Selected Years 1922–49

	Yard Train and Switching Service (Group)	YARD SERVICE		Road Train Service (Group)	ROAD TRAIN SERVICE					
					Conductors			Brakemen		
		Conductors	Brakemen		Passenger	Through Freight	Local and Way Freight	Passenger	Through Freight	Local and Way Freight
Employment[1]										
1922	71,239	18,639	46,953	112,459	10,256	14,764	8,490	14,350	35,132	22,614
1929	80,379	21,880	53,267	110,606	10,077	14,910	9,188	13,067	33,965	22,622
1932	50,967	13,478	34,123	72,179	7,510	8,112	6,536	9,424	19,911	15,323
1936	55,931	14,396	38,621	79,665	7,257	9,787	6,693	9,238	25,373	16,288
1939	52,770	13,695	36,416	74,211	6,893	8,899	6,186	9,094	23,087	15,056
1946	76,587	20,038	53,411	97,141	8,220	13,198	7,258	10,175	33,268	17,276
1949	70,442	18,639	48,841	83,154	6,991	10,679	6,878	8,673	26,535	16,431
Weekly Hours[2]										
1922	48.7	51.7	47.2	52.0	47.1	52.8	62.0	44.9	48.0	59.5
1929	49.6	51.8	48.3	48.5	44.9	47.8	58.9	42.1	44.3	57.2
1932	42.1	46.3	39.5	40.9	41.7	37.8	52.8	37.2	32.8	49.5
1936	44.5	51.0	41.6	44.2	39.7	42.4	58.5	35.9	34.8	52.4
1939	45.4	51.4	42.6	40.8	38.8	38.8	58.4	35.1	32.4	52.5
1946	48.8	54.6	46.3	43.8	39.8	41.7	63.6	37.9	36.3	59.0
1949	48.9	55.0	46.2	41.0	38.5	36.8	59.8	35.2	31.7	55.5
Hourly Earnings[3]										
1922	$0.745	$0.808	$0.743	$0.726	$0.853	$0.859	$0.912	$0.587	$0.668	$0.712
1929	.848	.913	.841	.777	.949	.864	.974	.667	.683	.773
1932	.766	.825	.761	.699	.864	.769	.858	.608	.610	.680
1936	.851	.914	.841	.771	.951	.847	.954	.674	.673	.757
1939	.906	.968	.895	.822	1.010	.898	1.005	.732	.724	.797
1946	1.294	1.353	1.283	1.213	1.393	1.278	1.423	1.120	1.102	1.226
1949	1.578	1.663	1.555	1.488	1.673	1.544	1.690	1.405	1.370	1.496

Annual Earnings[4]										
1922	$1,948	$2,245	$1,882	$2,004	$2,621	$2,351	$2,746	$1,690	$1,654	$1,982
1929	2,267	2,555	2,194	2,247	2,994	2,546	2,916	1,980	1,862	2,164
1932	1,744	2,071	1,630	1,844	2,652	2,056	2,418	1,669	1,412	1,735
1936	1,901	2,412	1,753	2,134	2,969	2,553	2,985	1,937	1,649	2,034
1939	2,056	2,555	1,907	2,296	3,170	2,666	3,186	2,105	1,776	2,204
1946	3,144	3,706	2,964	3,613	4,547	3,887	4,829	3,553	2,932	3,779
1949	3,772	4,531	3,507	4,309	5,359	4,567	5,517	4,284	3,513	4,406

[1]I. C. C. M-300. This is an average of 12 monthly counts of the number of employees at the middle of the month. The total number of employees who receive pay during the month is greater than the number of employees at the midmonth, since it includes turnover, temporary employees, and others not in an employment status with a carrier at the middle of the month. For example, in 1949 the total number of yard conductors and yard brakemen who received pay during the year (74,600) was approximately 11 percent greater than the midmonth count.

[2]Average weekly hours for conductors and brakemen in road train service are from Carriers' Exhibits 2 and 39. The method of computation used by the Carriers is indicated in the footnote in Carriers' Exhibit 39 as follows: "Average hours per week . . . represents quotient of straight time hours actually worked plus overtime hours divided by (midmonth count of employees times weeks in the year). For weeks other than leap years 52.1429 weeks per year; for leap years, 52.2857 weeks per year." Hours for the road train service group, and for the year 1949 in each of the reporting divisions listed were computed by the Board in accordance with the above method. Hours for the yard train and switching employees' group are from Employees' Exhibit 21. The hours for the yard conductors and yard brakemen and the 1949 average for the yard train and switching service group were computed on the Organizations' method which includes constructive allowance hours.

Weekly hours for yard train service employees and road train service employees, computed by the two methods indicated, are here presented not for comparison of weekly hours in yard service as against road train service but rather as an indication of the trend in average weekly hours within each class of service during the period.

[3]Average hourly earnings are from Employees' Exhibits 23, 70, and 73. The Organizations compute average hourly earnings by dividing total compensation by total service hours. The Carriers, however, compute average hourly earnings by dividing the total compensation, less constructive allowance payments, by the number of service hours "actually worked" plus overtime hours. Average hourly earnings of yard conductors were $1.753, according to the Carriers' method of computation, while yard brakemen averaged $1.707 in 1949.

[4]Annual earnings data are from Employees' Exhibits 23, 72 and 73. As computed by the Organizations, annual earnings usually are several hundred dollars less than those computed by the Carriers. Both the Organizations and the Carriers use the same basic data—I. C. C. M-300. The differences arise because the Organizations use the total number of employees who receive pay during the year as the divisor, while the Carriers use the lower, mid-month count of employees thereby obtaining a higher quotient. For example, on the basis of the Carriers' method, annual earnings of yard conductors averaged $4,956, and yard brakemen $3,894, in 1949.

industry generally, and among nonoperating employees especially, has declined steadily since about 1921, yard service employment has remained approximately at the same level (Table 1). Actually, the number of yard brakemen employed in 1949 averaged almost 2,000 *above* the average of 1922 while, by an extremely unusual statistical coincidence, the number of yard conductors (18,639) employed in 1949 was exactly the *same* as the average for 1922. These unchanged employment levels—27 years apart—are in marked contrast with a reduction of about 26 percent in road train service employment and 31 percent for the large group of nonoperating railroad employees over the 1922-49 period.* It is very apparent from these comparisons that yard service employees have not experienced the technological displacement, or long-term downward trends in employment with consequent loss of jobs, which has characterized road train service and more particularly railroad nonoperating employees.

Comparative Wage Trends. Both parties submitted extensive data reflecting changes in earnings of yard service employees as compared with other railroad employee groups and workers in nonrailroad industries. The Organizations stressed wage-trend relationships between the railroad yard service employees and skilled and semiskilled male workers in a selected group of nonrailroad industries as portrayed in the now abandoned wage series of the National Industrial Conference Board.† The Carriers used the series currently issued by the Government's Bureau of Labor Statistics, supplemented by their own calculations of the earnings of nonoperating railroad employees over a period of years. Both parties emphasized the necessity of maintaining a balance in wage levels and equities as between the employee groups involved in this case and other groups of workers, within and outside the railroad industry.

Trend comparisons are helpful, within limits. Obviously, circumstances change from time to time which alter the relationships that might once be said to have existed. Thus, for example, the

* There have been, of course, year to year fluctuations in employment occasioned by traffic and general economic conditions; here the Board is primarily concerned with long-term trends in employment.

† The National Industrial Conference Board discontinued its series on hours and earnings in July 1948. It was subject to limitations because of its relatively restricted coverage both in terms of workers and industries, with a concentration of the reporting sample among larger establishments in the more heavily industrialized areas of the country. Whatever value the NICB series might once have had, the Board feels that reliance upon these data, for current comparisons, is dubious. To attempt to bring the NICB series up-to-date by "adjusting" them to the BLS earnings series, as was done by the Organizations, presents serious technical problems of comparability due to different definitions and interpretation of terms, different structures of industrial classification, different methods of computation, and different procedures in editing, coding and tabulating the data.

Organizations point to the fact that, on the basis of their evidence, the earnings of yard service workers have deteriorated over a period of years, falling from a ranking of third in the NICB series of average hourly earnings during the 1920's to eighteenth place among a group of 25 industries in September 1949 (Employees' Exhibit 27). Such comparisons do not reflect, however, the changing, dynamic character of American industry and the fact that until the mid-1930's or later the great mass production industries of the country—steel, rubber, automobiles, electrical manufacturing, etc.,—were largely unorganized and that wages in these industries were not determined by the processes of collective bargaining. Also, in the 1920's, railroad transportation still remained largely unchallenged by its present day competitors—air transport, pipe lines, over-the-road trucking and bus transportation, and, of course, the constantly increasing number of private passenger automobiles on the Nation's highways. While the desire to be first—or at the "top"—is a commendable and widespread national trait, its limitations must be recognized in wage comparisons as between industries in various stages of economic maturity.

Table 2.—Trends in Average Hourly Earnings, 1922–49

	1922–29 (Average)	1939–47 (Average)	1946	1949
Yard Train Service Employees[1]	$0.797	$1.077	$1.294	$1.578
Nonoperating Employees[2]	.536	.819	1.037	1.501
BLS Durable Goods[3]	------	.990	1.156	1.469
BLS All Manufacturing[3]	.549	.909	1.084	1.401

[1]Employees' Exhibit 23.

[2]Carriers' Exhibit 10 A.

[3]Bureau of Labor Statistics, U. S. Department of Labor. Data for all manufacturing industries in first column are for years 1923–29 instead of 1922–29.

Within these limitations, the Board has studied the evidence on comparative wage trends (see Table 2). There is no question that yard service employees, as a group, have consistently averaged higher hourly earnings than their nonoperating fellow workers. Their earnings have likewise exceeded those for workers generally in durable goods manufacturing as well as for all factory workers. There is also no doubt but that in the last year or so the favorable differential in earnings, enjoyed by yard service workers, has narrowed. This is particularly obvious when the comparisons are made with their most proximate comparable groups—the railroad nonoperating employees. As between these two groups, within the railroad industry, a differential in excess of 25 cents per hour had shrunk by 1949 to approximately 8 cents. In large part, this recent, sharp decline resulted from the adjust-

ments in pay obtained by the nonoperating railroad employees in connection with their conversion to a scheduled 40-hour week.

This decline in the earnings differential between yard service employees and nonoperating employees is also reflected in the amount of the general wage increases obtained by the two groups since 1937. From 1937 through 1947 each group received increases approximating 58 cents per hour. The wage increases in 1948 and 1949, however, totalled 30.5 cents (including the 40-hour week adjustment) for nonoperating employees whereas yard service employees received but 13.5 cents. Over the entire 13-year period, 1937-49, nonoperating railroad employees have received 17.4 cents per hour more in general wage increases than have the yard operating employees (Carriers' Exhibit 10A, p. 49).

As regards the so-called "outside" industries, the earnings series of the Bureau of Labor Statistics pertaining to durable goods manufacturing industries probably is most pertinent. This widely-used statistical series includes the "heavy-goods" industries which employ substantial numbers of male workers and which, in the last decade or so, have negotiated wages with unions of their employees. Comparable data exist for the period since 1932. The statistics show that in that year (1932) railroad yard service employees enjoyed a favorable differential of about 27 cents per hour over durable goods factory workers. By 1939 this differential had dropped to 21 cents (as workers in these industries became organized) and by 1946 the differential had narrowed to less than 14 cents. The succeeding postwar years have reflected a further slight reduction in the differential so that in 1949 the hourly earnings of yard service employees averaged approximately 11 cents higher than the average for the more than six million workers employed in durable goods manufacturing.

It is therefore apparent that the average hourly earnings of railroad yard service employees, here represented by the ORC and BRT, are currently below levels which have customarily prevailed over a period of years extending back to the early 1920's. The selection of any one previous year, as a base, for the measurement of the extent of the inequity or present imbalance, would impose limitations or qualifications on its use and, in a sense, would also reflect a certain arbitrariness of choice. Such a determination of a single base year does not appear to be required in the instant case. The Board is not faced with a wage increase case, as such, but as previously indicated, it has before it a determination of the extent to which the present rates of pay for yard service employees should, in all justice, be increased concomitant with the adoption of a basic 40-hour week. The foregoing analysis,

together with the trend data shown in Table 2 are helpful in evaluating broad wage movements over a long period of years and in gaining an insight into the size and shift in the earnings differential enjoyed by yard service workers over a period of more than a quarter of a century.

Relationships with Road Service Employees. Historically, railroad yard service employees have worked on an 8-hour shift basis, normally six days a week but not infrequently on a 7-day basis. Road service employees, on the other hand, with few exceptions have no scheduled hours or shifts. Their hours on duty are determined largely by the speed in which their "runs" are made. Over the years train speeds have been accelerated due to a combination of many factors as, for example, speedier equipment, heavier roadbed, elimination of curvatures, improved signal devices, etc. Thus, while the weekly hours of work for yard service employees have remained relatively high, the hours on duty of their road service brothers have declined. With exceptions—such as during the war years when all railroad workers averaged longer hours—this downward trend of weekly hours has extended over several decades. The only groups which have not benefited by this movement are those road service employees in local and way freight where frequent stops still are necessary.

The trends in average weekly hours are shown in Table 1. It will be noted that yard conductors almost consistently have averaged more than 50 hours per week, even in 1949. The average for yard brakemen—a larger group and with greater opportunities for the distribution of available work—is also relatively high (46.2 hours in 1949). By contrast, in road service, passenger conductors have for some years averaged less than 40 hours per week. Conductors in through freight service have likewise scaled down their time on duty since the 1920's but those employed in local freight service still remain quite high, averaging about 60 hours per week in 1949. Road brakemen in passenger service and through freight service now average less than 40 hours a week as against substantially greater hours two decades ago. Local freight brakemen, like their fellow conductors, however, continue to average long hours.

Thus, passenger and through freight road train service employees have, over the years, experienced a substantial reduction in their average weekly working time. Not only have their hours on duty been measurably shortened but, because of increased train speeds and their mileage basis of pay, their total or annual earnings have not been adversely affected. It should be noted, however, that this reduction in hours has been gradual, rather than

at one particular point in time, as is proposed in the issue now before this Board. This gradual reduction in hours has spread the cost factor for the carriers over a span of years.

In terms of the dollar increases in annual earnings, it is significant to note that for most road service occupations their yearly earnings have shown a proportionately greater increase than for similar occupations in yard service. Over the period 1922-49 annual earnings of yard service conductors rose from $2,245 to $4,531 or by $2,286. By contrast, passenger conductors, over this period, increased their annual earnings by $2,738 or to approximately $5,359. In the case of yard brakemen (a much larger group of employees) the comparisons are even more striking. This group averaged $1,882 in 1922 and $3,507 in 1949—an increase of $1,625. Fellow brakemen in road service, however, obtained greater increases over the period—$2,594 for passenger brakemen, $1,859 for through-freight brakemen, and $2,424 for local-freight brakemen, whose hours remained high.

Two observations—pertinent to the disposition of the present 40-hour week proposal of the Organizations—stand out from this brief analysis. First, road service employees, except in local freight, over the years have secured shorter hours of work thereby accomplishing what the yard service employees seek in this case. Second, this gradual reduction in hours has not affected their total earnings but, as a matter of fact, has actually widened—for the substantial majority of the road service employees—the spread of the dollar differential which prevailed in the 1920's between the respective classes of yard and road service employees.

If this were the only factor to be considered in the disposition of the instant case it would augur well for the granting in full the proposal of the Organizations. However, other relevant matters are involved. These include, for example, the fact that some realistic balancing of the broad equities as between yard and road train service, operating and nonoperating railroad employees, and employees in outside industries should be sought; that the continuous nature of yard service operations must be recognized; that employment trends in the railroad industry be considered and, also, the cost factor as it impinges upon the carriers merits careful attention. There is no gainsaying, however, that the hours and annual earnings comparisons such as those above indicate that some redress is due the yard train service employees.

Overtime Considerations. Previous reference has been made to the fact that yard service employment has not declined over the years; that the continuous nature of yard service activities requires—at least at major terminals and division points—

around-the-clock, 7-day operations; and that the present weekly hours of yard service workers average well above 40 per week.

Obviously, under these circumstances, the adoption of a basic 40-hour week, with its accompanying reduction in straight-time hours of 16⅔ percent, will require careful rescheduling of assignments to avoid excessive overtime costs. There is not the opportunity, as stated earlier, to compress or "squeeze" the services which must be performed into a Monday through Friday normal workweek. If it were possible so to handle yard operations, the Board is convinced that the Carriers would already have done so. The fact that yard service employment thus far has resisted the Carriers' general pressure to eliminate jobs is testimony to its importance in train movements.

It would appear, therefore, that to operate on a 5-day schedule will require (1) the recruitment of additional yard service workers, (2) a greater utilization of existing extra or stand-by crews, or (3) the assignment of some men to 6-day jobs with premium overtime pay for the sixth day. Undoubtedly all three of the above-mentioned methods will be used in combination as circumstances require and permit. The Board is not in a position to conjecture how or to what extent each of these methods will dovetail most efficiently and harmoniously into the realities of railroad operations.

Some observations can be made, however, as to the scope of the problem. In 1949, 67,480 yard conductors and brakemen were employed, on the average, throughout the year (ICC mid-month count). Over 155,000,000 straight-time hours were worked, together with some 6,700,000 overtime hours and 9,100,000 constructive allowance hours for a total of approximately 171,200,000 hours.

On the basis of the mid-month count of employment—which tends to reflect the average number of full-time jobs—yard conductors and brakemen in 1949 averaged 2,537 hours (including 99 overtime hours). Since a basic 48-hour week is equivalent to 2,496 hours per year, it is evident that yard conductors and brakemen averaged slightly more than a full 48-hour week schedule, including overtime, and slightly less than a 48-hour week schedule if allowance is made for overtime. The same calculation, based upon a 40-hour week, or 2,080 straight-time hours per year, shows that the 1949 labor force of 67,480—after completion of their 2,080 hours—would have been required to work nearly 31,000,000 overtime hours or an average of about 450 hours per worker.

The above illustration overstates the impact of a 40-hour week since the mid-month employment count excludes yard service

employees who, while not working at the middle of the month, are nevertheless on the carrier's payroll at some time or another during the month. This total employment figure of yard conductors and brakemen in 1949 averaged 74,600, or 11 percent higher than the mid-month count. To a large degree this added group of some 7,000 workers reflects the size of the carriers' standby or extra crews.

This force is available for handling peak traffic loads, the relief of regularly-assigned crews, and such other special jobs which arise for time to time. It is not a completely mobile force, however, in the sense it can be transferred at will from one terminal to another, or from one railroad to another.

Assuming for the moment, nevertheless, the full utilization and mobility of the 1949 labor force of 74,600 yard conductors and brakemen, it will be seen that even this larger labor force could scarcely have handled last year's volume of traffic within a scheduled 5-day basic workweek. If the total hours worked in 1949 had been evenly divided among these 74,600 workers, each employee would have averaged 2,295 hours or, exclusive of 90 overtime hours, a total of 2,205 hours as compared with 2,080 hours in a basic 5-day workyear. This would have called for 125 additional hours of overtime by each of the 74,600 employed yard train service workers, or the hiring of approximately 4,500 new employees. The other alternative would be curtailed operations.

Another approach is to consider the number of "trips" made by yard conductors and brakemen—"trips" being defined by the ICC as those "for which not less than a minimum day was paid." Class I railroads reported approximately 20,200,000 such trips in 1949. This is an average of 300 per year per yard employee (mid-month count) or 271 per year if averaged over the total labor force of 74,600. Assuming one daily trip or shift per worker, a 5-day workweek would call for 261 over the course of the year or 10 trips less per worker than the 271 average for 1949.

It must again be emphasized that the foregoing illustrations are general approximations or averages; that use of employment data based upon the mid-month count tends to overstate the overtime problem and use of the total employment count understates the problem since it assumes full utilization of the labor force with unrestricted mobility. It is possible that in the larger yards maintained by the carriers in or about the major cities rescheduling operations and greater utilization of extra crews will materially aid in a greater full-time utilization of yardmen. The same opportunities will not be present in the many smaller yards em-

ploying but one or two shifts. For these groups added overtime (or curtailed services) seems unavoidable.

The overall effect of the 40-hour week, as indicated earlier, cannot be estimated by the Board because of the variety of alternatives which the Carriers—and the Organizations—may decide upon. It seems readily apparent that for the next year or two, assuming relatively unchanged traffic loads, presently employed yard service men will have ample opportunities for employment at overtime rates of pay. In 1949 overtime hours comprised about 4 percent of the total hours worked by yard conductors and brakemen. Initial readjustment to a 40-hour week will certainly increase the proportion of overtime hours and it is not inconceivable that it might rise to as much as 8 to 10 percent of the total hours worked. Based upon 1949 data, such an increase would be the equivalent of adding from about 90 to 130 overtime hours to each of the 74,600 yard conductors and brakemen employed last year.

General Conclusions — As was indicated at the outset of this analysis, the Board believes that the trend toward shorter weekly hours of work is clear and unmistakable. Most workers now enjoy a standard workweek of 5 days and 40 hours. Within the transportation industry itself, the airlines in 1946 and, more recently, many transit companies, have adjusted their operations to a basic 5-day workweek. The Board is of the opinion that the Nation's railroads should follow suit with the adoption of a 40-hour workweek for yard train service employees.

The more engaging question revolves about the extent to which, if any, the present pay of the employees should be adjusted concomitant with the reduction in hours of 16⅔ percent. Historically, labor's slogan has been to "shorten the hours and increase the pay." This is understandable. In most instances the shorter hours have come gradually, or as the result of widespread unemployment. The latter was the case under the NRA. In 1932, for example, the number of idle workers exceeded 12,000,000 while in 1938, when the Fair Labor Standards Act was passed, over 10,000,000 American workers were unemployed. National policy dictated the necessity of reducing hours to spread gainful employment. The Board is not persuaded, however, by the evidence submitted to it in this case that these reductions in hours were generally accompanied by partial or full maintenance of the worker's previous take-home pay. It is true that the NRA had a significant and salutary effect in increasing the hourly earnings of low-paid workers. The record is not equally as clear, however, that higher-paid workers incurred no loss in achieving the 40-hour week. Even as recently as 1945, after the end of World War II, it was acknowledged that the cut-

back in overtime hours, from 48 to 40, could hardly be accomplished without some loss in weekly earnings. The "first round" of wage increases was, for nonrailroad workers, primarily one to cushion the shock of the return to the standard 40-hour week. Had the Carriers and the Organizations then faced and resolved their 40-hour week problem it is likely that their 18½ cents an hour wage increase settlement obtained at that time would have been credited against the cost of the shorter workweek.

It was not resolved then. As a result this Board is confronted (as was Emergency Board 66 in the Railroad Nonoperating Employees Forty-Hour Week Case) with recommending an equitable adjustment. This Board has two choices: (1) to recommend, as did the earlier Board, full maintenance of take-home pay, or (2) to recommend another form of settlement which it believes to be equitable and fair, based upon the record spread before it.

As the preceding analysis of the evidence indicates, substantial differences exist between the work and wages of yard service employees in the instant case and the larger group of nonoperating railroad employees. Yard service employees are engaged in the continuous phase of railroad operations. Trains must move day and night, 7 days a week. While some slackening of yard work occurs on Saturday and Sunday, particularly as regards the spotting and pickup of cars for local industries, through freight and passenger service continues irrespective of the day of the week.

The continuous nature of yard service operations is further indicated by the relatively high and constant level of employment. The number of yard service workers has not diminished (in relation to traffic handled) over the years whereas both nonoperating employment and road service employment have declined markedly since the 1920's. Technology has not yet invaded, on any measurable scale, yard service operations.

With respect to the level of wages between yard train service employees and nonoperating railroad employees, it is clear from the record that the earnings differential of yard service workers have consistently averaged between 20 to 30 cents more per hour. It is likewise true that this favorable differential of yard service employees has been appreciably reduced by the upward readjustment in pay obtained by nonoperating employees upon their attainment of the 40-hour week. Restoration of a reasonable differential between the two groups is justified. Without its restoration, peace on the rails cannot be assured. The history of railroad wage negotiations is replete with evidence of the seriousness with which the various labor organizations regard firmly-established wage rela-

tionships. The Carriers, likewise, have repeatedly testified, even in the instant case, as to the necessity of maintaining a balance between the groups of men represented by the various organizations which bargain separately with them.

These wage relationships—and rivalries—also exist within the operating group of rail workers. As to the road train service group represented by the ORC and BRT, significant differences in the level of earnings have developed with the passage of the years. Increased train speeds have reduced the hours required to perform a given run. The dual basis of pay, differences in what constitutes a basic day—in terms of miles or hours—and changes in working rules have contributed to widening the gap between yard and road service employees. Except for those employed in local and way freight, the average weekly hours of roadmen have declined appreciably whereas the hours of yard service employees have remained relatively high. Changes have likewise occurred in their total annual earnings. Yearly take-home pay of both yard and road train service employees has virtually doubled since 1922. On the average, however, the largest gains have been recorded, with but few exceptions, by the various classes of road train service employees (See Table 1).

It thus appears that as within the the railroad industry the yard service employees have experienced certain inequities, some of recent origin, others of a more evolutionary character. There remains to be considered the relationships between yard service workers and workers in "outside" or nonrailroad industries.

The Board has already noted the widespread prevalence of the 40-hour week in private industry and reference has also been made to the general level of earnings of workers in durable goods manufacturing industries. Since the instant case is described as a rules and hours case, rather than a wage increase case, less significance need be attached to recent trends in the wages of nonrailroad workers. There are, of course, long-term trends which are of some degree of relevancy.

The Organizations, for example, stressed the shrinking differential between yard service employees and skilled and semi-skilled workers in various outside industries. It is true these differentials have narrowed but the degree of this contraction depends to a great extent upon the years selected for the comparisons. Rail workers were among the first in this country to establish enduring unions; collective bargaining has been practiced for decades in the railroad industry. A third, and possibly a fourth generation, of railroad operating workers proudly point to their brotherhood membership cards. Fifty year pins, awarded for faithful union service, are not

unusual among the men represented by the Organizations before this Board. By contrast, the span of unionization, collective bargaining, and union membership for millions of mass production workers can be counted as a matter of the last 10 to 15 years. Under such circumstances, it is not unreasonable to expect that relatively greater gains should be scored by those groups of workers, and unions, which only recently by law and the processes of collective bargaining have had the opportunity to organize and secure wage improvements. In this connection it might also be observed that since the end of World War II the average hourly earnings of railway yard train service employees has increased 28.4 cents per hour as against an increase of 31.1 cents for durable goods manufacturing workers.

Aside from the element of costs, which is discussed elsewhere, one significant consideration remains. This involves the question of overtime work which may be necessitated by the introduction of a basic 40-hour workweek with premium pay for work beyond 40 hours. Emergency Board 66 referred to this factor and indicated that "a good many" workers would earn more than their present 48 hours' pay "because of extra overtime that will be required until the new staggered 5-day week gets settled down to its full efficiency" (Report, p. 31).

This Board is equally convinced that the transition to a 40-hour week in railroad yard service operations cannot be accomplished without incurring substantial amounts of overtime. Indeed, the evidence points to a materially greater overtime problem than that which confronted the railroad industry in effectuating the shorter workweek for its nonoperating employees.

In this connection the Carriers contend that the employees actually do not want the shorter workweek (or that those employees who now want to work 5 days may do so because of the availability of extra-men) but are anxious only to secure a shorter standard or basic workweek for purposes of obtaining more overtime pay. There is a certain parallelism here with the railroad organizations' successful campaign for enactment of the Adamson 8-Hour Day Act in 1916. That law, it will be recalled, provided that 8 hours should be considered "a day's work and the measure or standard of a day's work for the purpose of reckoning the compensation" of railroad employees. The Organizations, on the other hand, in their testimony before the Board, have repeatedly indicated that their primary desire is to secure for the men they represent a shorter workweek and to establish safeguarding rules to effectuate the principle of the 40-hour weekly standard.

The Board's main concern is the introduction of the shorter workweek with the minimum shock to the employees and to the carriers. It believes that to recommend a 20 percent increase in basic rates of pay would be unjustified because of the costs involved and that it would, in effect, introduce a new chain-reaction of demands and proposals by other railroad employee groups to restore their "equities." The railroad industry, the Board believes, needs above all else a period of relative stability to adjust and adapt itself to present, competitive post-war conditions.

With respect to the yard train service employees, it appears clear from the evidence that the existing labor force will not be able to handle a normal volume of traffic within a 5-day straight-time workweek. Whatever the long-run prospects of hiring additional yard employees may be, it seems clear that for many months and perhaps for several years the carriers will have to schedule work calling for the employment of men on the sixth or seventh day of their scheduled workweek. This will mean added pay for the men so involved. The increased rates herein recommended, together with time-and-one-half pay for such work, will go far to cushion whatever "shock" there may be involved.*

The Board believes therefore that its recommendations, set forth below, are equitable and reasonable. They will restore balanced relationships with the nonoperating group and will not impair the existing annual earnings possibilities as between yard service and road train service employees represented by the two Organizations.

Recommendations

1. *With regard to an increase of two and one-half cents (2½c) per hour in the basic rate of all classes of yard service employees and the elimination of the daily minima guarantee.*

That in lieu of the existing daily earnings minimum guarantee of 20 cents per day there be an increase of two and one-half cents (2½c) per hour in the basic daily rates of all classes of employees presently included under said guarantee.

With regard to the Five-Day Workweek.

(a) That effective October 1, 1950, the Carriers shall establish for all yard service employees represented in this matter, a workweek of 40 hours, consisting of 5 calendar days of 8 hours each,

* In this connection it might be noted that if the ratio of overtime hours rises from its 1949 rate of about 4 percent of total hours worked to the vicinity 8 to 10 percent, the *added compensation* accruing yard service workers would range, on the average, between $250 and $350 per year, assuming employment and yard operations continued at their 1949 levels. This would completely offset the decline in earnings occasioned by obtaining the basic 40-hour week. Present extra or standby crews should also obtain greater full-time employment opportunities. The sum total of "effective" purchasing power ought, therefore, to be approximately as great as is now enjoyed, on the average, by yard service workers.

with 2 consecutive days off in each 7; that Carriers shall have the right to stagger workweeks in accordance with their operational needs and requirements; and that employees shall have the right to expect that whenever practicable, from the standpoint of the Carriers' operating necessities, the two consecutive days off occasionally shall be on Saturdays and Sundays.

(b) That the yard service employees represented in this matter shall receive a basic wage rate increase of 18 cents per hour, or $1.44 per basic day, beginning October 1, 1950.

With regard to overtime for service in excess of 8 hours each day (24-hour period) or in excess of 5 8-hour days (40 hours) in a week.

That all services in excess of 5 8-hour days (40 hours) in a week shall be paid for at the rate of time and one-half.*

With regard to time and one-half rates for work on Sundays and holidays in yard service.

That the Organizations' request for punitive rates of pay on Sundays and holidays be withdrawn.

With regard to rules and practices required to effectuate the 5-day workweek.

That in view of the practical necessities of the operations involved and the fact that the parties are so close to an agreement in the matter, the rules and practices required to effectuate the workweek of 5 8-hour days shall be remanded to the parties for joint negotiation and determination.

With regard to the savings clause.

That the adjustments contemplated within the scope of the Board's recommendations shall not modify any basic day or monthly rule or any other rules or practices now in effect which are deemed more favorable to the employees.

2. *Car Retarder Operators' Differential.*

The basic daily rates for car retarder operators shall be determined by adding eighty cents (80c) to the basic daily rate of yard conductors (foremen).

Organizations' Position. The Organizations urge that restoration of the "historic" 80 cents differential for car retarder operators over the daily rate of yard conductors (foremen) is clearly indicated by considerations of reason, justice and equity. This differential, they point out, remained undisturbed for more than twenty years, and disappeared only when the Carriers excluded car retarder operators (along with footboard yardmasters) from proper consideration and participation in the 33 cents increase

* The matter of staggering shifts and starting an employee on a second shift within a 24-hour period should be determined by joint negotiation on the individual properties.

in pay granted yard conductors and the 20 cents daily earnings minima guarantee given other men in yard service (Tr. 365-70). In this connection it is stated that the 80 cents differential was established in 1925, when the first car retarder was installed, and was maintained through eight successive wage adjustments, without any variation, until January 1, 1948 (Tr. 363-64). The net result of the Carriers' action in this regard was the reduction of the 80 cents differential to 47 cents in some cases, and to a mere 27 cents in the majority of instances. Thus, say the Organizations, a chaotic situation currently exists, with varying rates rather than a standard rate of pay, as previously obtained.

Quite apart from the essential equity of restoring a differential historically established and later destroyed, the Organizations contend that the elementary principles of reason require that car retarder operators be paid an 80 cents differential over yard conductors' daily rate since there is involved in car retarder operations a high level of skill, training, responsibility and discretion (Tr. 414-36; Employees' Ex. 5, pp. 15-16).

Carriers' Position. The Carriers point out that the Organizations here are demanding that car retarder operators be given the 33 cents increase in daily rates granted yard conductors and the 20 cents daily earnings minima guarantee given yard conductors and brakemen effective January, 1948. This proposal, say the Carriers, is represented by the Organizations as a reestablishment of a historic differential or a traditional relationship between the rates of pay of car retarder operators and yard conductors. This is true, it is stated, only in the sense and to the extent that there has been and is a difference in the two rates. While not disposed to dispute the existence of such a relationship, the Carriers insist that the relationship was destroyed at the request of the Organizations (Tr. 8180, Carriers' Ex. 13, p. 37).

The Organizations, according to the Carriers, agreed to the exclusion of car retarder operators from the scope of the agreement of 1948 providing 33 cents increase to yard conductors and 20 cents daily earnings minima guarantee to both yard conductors and brakemen. When the Carriers refused to extend these wage adjustments to car retarder operators, the Organizations accepted the agreement in order to make effective the increases for other yard employees. It is contended that the Organizations now seek to abrogate that agreement even though it is only a little over one year since that document was approved.

The Carriers insist that there never has been a fixed relationship between rates of pay of car retarder operators and yard conductors based upon comparable duties, responsibilities and

working conditions, nor do the working conditions of retarder operators support the demand for such a differential as demanded by the Organizations before this Board (Carriers' Ex. No. 13, pp. 12-14). All factors considered, the Carriers insist, the standard rate of pay for car retarder opreators is reasonable and adequate. The Carriers contend that in view of the foregoing facts, the only logical and reasonable alternative to restoration of the 80 cents differential for car retarder operators is the reduction of the rates of pay for yard conductors and brakemen to the levels that existed prior to the settlement of January 1, 1948 (Tr. 8181-82).

Discussion

The restoration of the socalled "historic" differential for car retarder operators over the daily rate for the yard conductors (foremen) constitutes, we think, a reasonable request. Two important considerations must be recognized here: (a) the differential of eighty (80) cents, the amount sought here, was maintained for an extended period of time (1925-1948), and (b) this long-established differential was eliminated by the exclusion of these employees from the two settlements of 33 cents increase in the pay of yard conductors and the 20 cents daily earnings minimum guarantee for other men in yard service.

Two other considerations are controlling influences here. First, despite Carriers' contrary contention, a traditional wage relationship appears to have existed between the rates of pay of car retarder operators and yard conductors, in which the elements of duty and responsibility and, to an extent, skill, have been contributing factors, although this relationship cannot be said to be a fixed and rigid one. Second, the fact that these Organizations at the time accepted an adjustment which subsequently proved to entail an inequitable wage relationship is not in itself adequate grounds for continuation of the inequity cited here.

Recommendation

That the request be approved and that the basic daily rates for car retarder operators be determined by adding eighty cents (80c) to the basic daily rate of yard conductors (foremen).

3. *Footboard Yardmasters' Differential.*

Where there is no existing agreement or practice more favorable to the employees, the daily rate for yard conductors (foremen) who also act as yardmasters will not be less than one hour's pay (one-eighth of the daily rate) in excess of the yard conductors' (foremen's) rates. The same rules for the basic day and overtime shall apply to such employees as apply to other yardmen.

Organizations' Position. In presenting their request for a yardmasters' differential of not less than one hour's pay (one-eighth

of the daily rate) in excess of the yard conductors' (foremen's) rates, the Organizations insist that, like the car retarder operators referred to in the previous issue, many of the footboard yardmasters were discriminated against by the Carriers' action in excluding these employees from participation in the 20 cents daily earnings minima guarantee. An anomalous and contradictory situation was thus created since the same individual who, when he is a yard foreman, he is given the 20 cents daily earnings minimum guarantee, but when, perhaps the very next day, he works as yardmaster, performing the same duties plus a number of even more responsible ones, he is denied the benefits of the minimum guarantee. The natural and inevitable consequence of such inconsistency is, the Organizations contend, an accumulation of dissatisfaction among the employees concerned. This unrest can be allayed, it is said, by revision of the differential to levels more commensurate with the increased labor and responsibility required of the yard conductor (foreman) when he assumes the added supervisory functions of yardmaster (Tr. 7925-26).

The Organizations contend that the qualities of supervision and discretion, along with the increased effort, which some 400 footboard yardmasters are required to assume, where increased compensation is not involved, constitute an asset highly valued by the Carriers, despite their contrary protestations in this matter. The Organizations further point out that in this instance, too, an important historical factor is involved. The earliest differential for footboard yardmasters, which was 40 cents a day in excess of the rate paid conductors, was, at the time it was first established, equal to about one hour's pay of the yard conductor. It is, moreover, still 40 cents a day on some railroads, while others have consistently paid their footboard yardmasters at least an hour more per straight-time day than the yard conductor's (foreman's) rate (Tr. 54-55).

Carriers' Position. In support of their opposition to the instant request of the Organizations, the Carriers point out that the standard rate of pay for footboard yardmasters is 40 cents higher than the yard conductors' rate, a differential which would be increased to at least $1.61 under the Organizations' proposal, the exact amount of the increase being dependent upon the weight on drivers of the heaviest locomotives used in the yard service (Tr. 8185).

The Carriers advance two major objections to the proposed rule: (1) It provides exorbitant and excessive pay for the services performed by yardmasters, and (2) it inevitably would result in claims for extra compensation in cases where yard conductors

work without yardmasters, and possibly in instances where yardmasters are assigned if or when a conductor performs any work that might be construed to be yardmasters' work (Carriers' Ex. 14, pp. 4-6, 13-15). Although representatives of the Organizations insist that such is not the purpose of the rule, the Carriers suggest that their own experiences lead them to fear the possible abuse and misconstruction that might ensue (Tr. 8185).

The Carriers further urge that the Organizations' instant proposal is completely without merit in view of the services performed and the time involved in the operations under consideration. Special studies made by the Carriers and submitted in evidence indicate that services performed by footboard yardmasters in 50 assignments show an average of only 42 minutes of the conductors' 8 hours of work are devoted to yardmasters' duties. For these 42 minutes the footboard yardmaster is paid under existing rules the sum of 40 cents in addition to his regular rate as a conductor. The rate of pay received by a footboard yardmaster for performing a yardmaster's duties is $2.18 per hour, while yardmasters receive only $1.94 per hour for performing the same duties, a differential of 24 cents per hour (Tr. 8186; Carriers' Ex. 14, pp. 9-11). The current daily rate of yard conductors is $12.91 and the current standard daily pay of footboard yardmasters is $13.31. The Organizations' request would introduce a rate of $14.52 for footboard yardmasters, thus increasing the differential between yard conductors' and footboard yardmasters' basic daily rates from 40 cents to $1.61. Other proposals of the Organizations before this Board would, if granted, also cause substantial increases. The net result of all these requests would be to increase the differential between footboard yardmasters and yard conductors from 40 cents to $1.97 (Carriers' Ex. 14, p. 12). On Sundays and holidays, under the Organizations' requests, the footboard yardmasters would be increased from $13.31 to $26.55 per day, and their wage differential above the yard conductors' rate would be increased from 40 cents to $2.95 (Carriers' Ex. 14, p. 13). Obviously, the Carriers state, the proposed increases are unreasonable and extravagant, and would lead to dispute, litigation, abuse, and greatly increased costs of operation (Carriers' Ex. 14, pp. 13-15). The Carriers urge that to grant this request would mean the destruction of time-honored or traditional wage differentials that have existed for more than 30 years (Tr. 8188, Carriers' Ex. 14, p. 8). In any event, state the Carriers, such special rates as here demanded have been and can be negotiated more satisfactorily on the individual rail-

roads in the light of conditions existing on those properties (Tr. 8190).

Discussion

The testimony and evidence indicate that when the differential of forty cents (40c) a day in excess of yard conductors' (foremen's) rates was originally established (January 1, 1919) for footboard yardmasters it was "almost exactly two-thirds of the hourly rate of the conductor," and that some railroads have continued to recognize something approximating this ratio. The hourly rate of the yard conductor was at that time approximately 60 cents. The present average hourly rate for yard conductors is $1.64. The establishment of a differential approximating the original ratio of two-thirds would appear to be a sound and reasonable one in view of the special duties and responsibilities of the footboard yardmaster's position, even though these duties and responsibilities are often assumed for a relatively short period during any one day. No evidence was submitted to indicate that these duties and responsibilities have diminished through the years subsequent to 1919.

The possibility, or even probability, that the granting of the instant request inevitably will result in an accumulation of unreasonable claims does not, it seems to us, warrant the denial of an adjustment which is designed to correct what appears to be an inequity. Obviously, good labor relations in the railroad industry can obtain only if both parties make a serious effort to preclude the pressing of unjust and unreasonable claims.

The evidence does not indicate that the restoration of the original differential will destroy what are characterized here as "time-honored or traditional wage differentials," which both parties to these proceedings are anxious to safeguard. On the contrary, the very purpose of the instant proposal is to restore a wage relationship which at one time was established in the light of the peculiar duties and responsibilities of the position under consideration here.

Recommendation

That the daily rate for yard conductors (foremen) who also act as yardmasters shall be not less than two-thirds of one hour's pay in excess of the yard conductors' (foremen's) daily rates.

4. *Establishment of Graduated Rate of Pay Tables—All Classes of Service**

The basic daily rates of pay for all classes and grades of road train service employees and conductors (foremen) and brakemen (helpers) in yard service shall be established on a graduated basis.

PROPOSED STANDARD BASIC DAILY RATES
Graduated Basis of Pay
Passenger Service

Classification of Locomotives (Weight on Drivers)	Engineers	Firemen Coal & DE	[1] Conductors	[1] Brakeman
Less than 80,000 lbs.	$12.06	$10.34	$11.20	$ 9.77
80,000 and less than 100,000 lbs.	12.06	10.43	11.20	9.77
100,000 and less than 140,000 lbs.	12.15	10.51	11.29	9.86
140,000 and less than 170,000 lbs.	12.23	10.69	11.37	9.94
170,000 and less than 200,000 lbs.	12.32	10.77	11.46	10.03
200,000 and less than 250,000 lbs.	12.41	10.86	11.55	10.12
250,000 and less than 300,000 lbs.	12.49	10.86	11.63	10.20
300,000 and less than 350,000 lbs.	12.58	10.94	11.72	10.29
350,000 and less than 400,000 lbs.	12.66	11.03	11.80	10.37
400,000 and less than 450,000 lbs.	12.75	11.12	11.89	10.46
450,000 and less than 500,000 lbs.	12.84	11.20	11.98	10.54
500,000 and less than 550,000 lbs.	12.92	11.29	12.06	10.63
550,000 and less than 600,000 lbs.	13.01	11.37	12.15	10.72
600,000 and less than 650,000 lbs.	13.09	11.45	12.23	10.80
650,000 and less than 700,000 lbs.	13.18	11.53	12.32	10.89
700,000 and less than 750,000 lbs.	13.26	11.61	12.40	10.97
750,000 and less than 800,000 lbs.	13.35	11.69	12.49	11.06
800,000 and less than 850,000 lbs.	13.43	11.77	12.57	11.14
850,000 and less than 900,000 lbs.	13.52	11.85	12.66	11.23
900,000 and less than 950,000 lbs.	13.60	11.93	12.74	11.31
950,000 and less than 1,000,000 lbs.	13.69	12.01	12.83	11.40

[1] Existing Money Monthly Guarantees are retained. Earnings from daily guarantees, mileage, overtime and other rules applicable for each day service is performed shall be not less than $12.94 for conductors and $10.79 for brakeman.

With 8c and 9c alternately added for each additional 50,000 lbs. or fraction thereof.

* "Rate table in Connection with Item 4, except Mallet Rate Table, amended to include Steam Locomotive of the 4-8-4 and 2-10-4 types to be reclassified for pay purposes by being moved into the next higher wage bracket."

PROPOSED STANDARD BASIC DAILY RATES
(Graduated Basis of Pay)
CONDUCTORS

Classification of Locomotive (Weight on Drivers)	Through Freight	Local and Way Freight	Yard
Less than 100,000 lbs.	$12.06	$12.62	$12.91
100,000— 140,000 lbs.	12.06	12.62	12.91
140,000— 170,000 lbs.	12.49	13.05	13.34
170,000— 200,000 lbs.	12.49	13.05	13.34
200,000— 250,000 lbs.	12.66	13.22	13.51
250,000— 300,000 lbs.	12.81	13.37	13.66
300,000— 350,000 lbs.	12.96	13.52	13.81
350,000— 400,000 lbs.	13.17	13.73	14.02
400,000— 450,000 lbs.	13.38	13.94	14.23
450,000— 500,000 lbs.	13.59	14.15	14.44
500,000— 550,000 lbs.	13.80	14.36	14.65
550,000— 600,000 lbs.	13.98	14.54	14.83
600,000— 650,000 lbs.	14.16	14.72	15.01
650,000— 700,000 lbs.	14.34	14.90	15.19
700,000— 750,000 lbs.	14.52	15.08	15.37
750,000— 800,000 lbs.	14.70	15.26	15.55
800,000— 850,000 lbs.	14.88	15.44	15.73
850,000— 900,000 lbs.	15.06	15.62	15.91
900,000— 950,000 lbs.	15.24	15.80	16.09
950,000—1,000,000 lbs.	15.42	15.98	16.27
	With 18c added for each additional 50,000 lbs. or fraction thereof.	With 18c added for each additional 50,000 lbs. or fraction thereof.	With 18c added for each additional 50,000 lbs. or fraction thereof.

PROPOSED STANDARD BASIC DAILY RATES
(Graduated Basis of Pay)
BRAKEMEN

Classification of Locomotive (Weight on Drivers)	Through Freight	Local and Way Freight	Yard
Less than 100,000 lbs.	$10.64	$11.07	$12.06
100,000— 140,000 lbs.	10.64	11.07	12.06
140,000— 170,000 lbs.	11.07	11.50	12.49
170,000— 200,000 lbs.	11.07	11.50	12.49
200,000— 250,000 lbs.	11.24	11.67	12.66
250,000— 300,000 lbs.	11.39	11.82	12.81
300,000— 350,000 lbs.	11.54	11.97	12.96
350,000— 400,000 lbs.	11.75	12.18	13.17
400,000— 450,000 lbs.	11.96	12.39	13.38
450,000— 500,000 lbs.	12.17	12.60	13.59
500,000— 550,000 lbs.	12.38	12.81	13.80
550,000— 600,000 lbs.	12.56	12.99	13.98
600,000— 650,000 lbs.	12.74	13.17	14.16
650,000— 700,000 lbs.	12.92	13.35	14.34
700,000— 750,000 lbs.	13.10	13.53	14.52
750,000— 800,000 lbs.	13.28	13.71	14.70
800,000— 850,000 lbs.	13.46	13.89	14.88
850,000— 900,000 lbs.	13.64	14.07	15.06
900,000— 950,000 lbs.	13.82	14.25	15.24
950,000—1,000,000 lbs.	14.00	14.43	15.42
	With 18c added for each additional 50,000 lbs. or fraction thereof.	With 18c added for each additional 50,000 lbs. or fraction thereof.	With 18c added for each additional 50,000 lbs. or fraction thereof.

PROPOSED RATES FOR MALLET ENGINES

(Item 6)

WEIGHT ON DRIVERS	Freight Conductor	Freight Brakeman	Yard Foreman	Yard Helper	Passenger Conductor	Passenger Brakeman
275— 400,000	$13.17	$11.75	$15.73	$14.71	$11.80	$10.37
400— 450,000	13.42	12.00	15.98	14.96	12.05	10.62
450— 500,000	13.67	12.25	16.23	15.21	12.30	10.87
500— 550,000	13.92	12.50	16.48	15.46	12.55	11.12
550— 600,000	14.17	12.75	16.73	15.71	12.80	11.37
600— 650,000	14.42	13.00	16.98	15.96	13.05	11.62
650— 700,000	14.67	13.25	17.23	16.21	13.30	11.87
700— 750,000	14.92	13.50	17.48	16.46	13.55	12.12
750— 800,000	15.17	13.75	17.73	16.71	13.80	12.37
800— 850,000	15.42	14.00	17.95	16.96	14.05	12.62
850— 900,000	15.67	14.25	18.20	17.21	14.30	12.87
900— 950,000	15.92	14.50	18.45	17.46	14.55	13.12
950—1,000,000	16.17	14.75	18.70	17.71	14.80	13.37

With 25 cents added for each additional 50,000 lbs. or fraction thereof.

1. This table for conductors and brakemen set up on basis of Engineers' Agreement on Union Pacific and Great Northern Railways for mallet type locomotives over 400,000 lbs. on drivers.
2. The yard table is set up on basis of 48 hours' pay for 40 hours work, which includes the 1947 20c guarantee making foremen's rate $15.73; Helpers' rate $14.71 and the 25c added to each 50,000 lbs. on drivers is in line with Engineers' Agreement for road rates in yard service.

This table maintains $1.60 differential between Engineers in Freight service. Our Table submitted to Carriers October 5, 1949 provided 91c differential up to Engine weighing 400,000 lbs. on drivers.

Organizations' Position. In support of their proposal for the application of the principle of weight on drivers to all classes of road service, the Organizations insist that the inequities which train service crews suffer have rapidly increased in recent years, producing an increasingly critical situation that calls for immediate correction (Tr. 7998; Employees' Ex. 55, p. 20). Engine service crews, the Organizations remind us, are paid "miles" and "hours" and "brackets," whereas train service crews are paid only "miles" and "hours." With the constant introduction of heavier locomotive equipment, this has resulted in the destruction of traditional train-engine service pay differentials, the Organizations say. Expanding this point, the Organizations insist that despite the effort to retain traditional differentials by means of flat dollars-and-cents wage increases, the differentials have been disrupted because the engine service crews, in addition to the common wage increases received by all road employees, have received a further increase in compensation as they have advanced up their graduated rate scale (Employees Ex. 55, p. 20).

Because pay differentials are one of the foundation-pillars of harmonious working relations in the railroad industry, they

must be restored and preserved if questions long regarded as settled are not to be reopened, the Organizations say (Employees' Ex. 55, p. 20). As more productive locomotive equipment has been introduced, engine service crews (because of their graduated pay scales) have received benefits in part corresponding to their increased productivity, whereas train service crews have remained on their single-rate pay regardless of such increase in productivity, the Organizations point out (Employees' Ex. 55, p. 20). Because many train service crews have contributed greatly to the increased productivity of the railroads, they are entitled to a system of pay which reflects this factor, say the Organizations (Employees' Ex. 55, p. 20).

Not only should a graduated basis of pay be instituted for train service crews, restoring the conductor-engineer pay differential, but it must be so designed as to preclude any likelihood that it will not result in future disruptions of this differential, according to the Organizations (Employees' Ex. 55, p. 20). It must preserve traditional train service differentials also, and conform to the greatest possible extent with established and understood pay methods and practices, the Organizations insist. This objective can best be achieved, they say, by a graduated basis of pay for train service crews which will utilize established engineers' brackets and increments, as set forth in the attached graduated rate of pay tables (Employees' Ex. 55, p. 20-21). The substitution of a system of payment employing a graduated pay scale based on the weight on drivers of the locomotive used in a tour of duty for the flat rate system of pay for train service crews is the only means of avoiding increasing disparity in actual wage rates as between these employees and engine service employees, the Organizations assert. Other remedies, they say, have proved fruitless (Employees' Ex. 55, p. 1). There is no valid reason, the Organizations state, why passenger service enginemen should be able to earn a day's pay for running 100 miles or less, 5 hours or less, while conductors and trainmen aiding in the operation of the same equipment should be required to remain on duty up to 7½ hours and produce 150 miles of transportation for a basic day's pay, thus suffering not only from a longer basic day but being denied the earlier "onset" of overtime.

Carriers' Position: Concerning the Organizations' proposal the Carriers take the position generally that no case has here been made for such a change in the basis of compensation for these employees. The Organizations have not, say the Carriers, established any degree of comparability of skill, responsibility, effort, and productivity between the jobs which these employees perform and those which are performed by the engine service employees.

It is obvious, the Carriers declare, that there is no relation between weight on drivers of a locomotive used in road or yard service and the skill, labor and responsibility required of conductors, trainmen or yardmen working with the locomotives. It is equally clear, the Carriers say, that there is no relation between the weight on drivers of the locomotive used and the productivity of these employees in terms of traffic units produced. Nor, say the Carriers, do hazards of employment bear any relation to weight on drivers (Tr. 6289-6403, 8252-3; Carriers' Ex. 3, pp. 24-41; Ex. 27, pp. 22-36, 37-50, 55-63; Ex. 35, pp. 17-44). The Carriers point out that while it is true that length of train has no appreciable relation to the skill, labor and responsibility required of these employees or the hazards of their employment, the Organizations have repudiated length of train as a basis of pay, hence abandoning a means of restoring and maintaining traditional wage relationships (Tr. 8253; Carriers' Ex. 27, p. 36, 53-63; Employees' Ex. 55, p. 15).

The principal reason advanced by the Organizations in behalf of the instant proposal is, the Carriers state, that the alleged traditional relationships between the average basic rates of engine and train service employees have become distorted and that the relative levels of rates of these employees following federal control of the railroads should be restored and maintained. The Carriers' answer to this argument is that (1) there has been no general disturbance of differences between the rates of pay or earnings of engine service and train service employees, (2) no valid reason has been advanced why the relative rate levels of train and engine service employees that existed following federal control should now be restored, (3) even if it be assumed that the relationships between the rates of engine service and train service employees have been disturbed and should be restored, this proposal would not accomplish that result.

With regard to the first point in their answer, the Carriers assert that money differences between the average basic rates of these classes of employees have remained approximately the same in all classes of service over the years 1921 to 1948, inclusive, with relatively minor exceptions (Tr. 8255, 4368-73, 4380-82, 4393-98; Carriers' Ex. 3, pp. 28-41).

The Carriers state that their studies of the average hourly earnings of engine and train service employees for the period 1921-48 indicate clearly that the relatively small changes that have taken place have generally favored the train service employees and the yard crews, and not the enginemen (Tr. 8257, 4403, 7711-15; Carriers' Ex. 3, pp. 33-34). It is thus obvious, say the Carriers, that whether we consider money differences, per-

centage differences, or hourly earnings levels, the same conclusion is reached (Tr. 8257, 4393-94; Carriers' Ex. 3, pp. 30, 33-34, 37).

The Carriers assert that because the Organizations failed to show any appreciable distortion in the relative levels of rates and earnings between train and engine service employees during the period 1921-48, they based their entire case of alleged distortion upon the average basic daily rates paid during the first 7 months of the year 1949. The Carriers concede that average levels of rates and earnings during 1949 varied from those of 1948, but insist that 1949 was an abnormal year and the data used incomplete (Tr. 8258-9, 4590-1, 7706-7; Carriers' Ex. 2, p. 8; Tr. 4113-14, 4180). Labor disturbances which affected the whole nation also disturbed the average basic daily rates paid train and engine service employees, the Carriers say. The effect of any adjustment based upon 1949 conditions would, the Carriers insist, distort wage relationships and result in demands from other classes of employees for further wage adjustments to restore the normal relationships (Tr. 8260, 4378-82).

Turning to the second point in its answer to Organizations' argument, the Carriers assert that no evidence has been submitted to show that the relative rate levels that existed in the 1920's immediately following federal control, were fair, just or equitable or that they should now be restored. Not traditional earnings levels, but job content, is the important factor in the adjustment of rates of pay in any industry, say the Carriers. Yet, it is stated, the Organizations have submitted no evidence to prove that the skill, labor and responsibility of train service employees constitute an adequate basis for granting the instant request (Tr. 8262-63, 3496-3500; Carriers' Ex. 10A, pp. 44-47). There is indisputable evidence of the fact that the engine service employees' job content is more exacting than that of the train service crew, the Carriers say (8264-67). It is only among enginemen that any claim can be made that the size and power of the locomotive affects the responsibility, skill and effort required of the employees, the Carriers assert (Tr. 8267).

In the analysis of their third point in answer to Organizations' argument, the Carriers concede that the proposed rate tables submitted by the Organizations would erase the changes in average basic rate levels which have resulted from extension of the weight on drivers wage rate gradations for engine service employees, but they insist that the proposed tables would also create new and inequitable differences between the rates and earnings of these classes of employees which would defeat the avowed purpose of the proposal (Tr. 8267-8). In fact, state the Carriers, the Organizations are asking here for adjustments which would

provide twice as much additional compensation for train service employees as would be required to restore average basic rate differences that existed following federal control, even on the basis of average rates paid during the first seven months of 1949, the abnormal period used (Tr. 8268, Carriers' Ex. 27, pp. 14-18, 95). Moreover, say the Carriers, if the effect of these proposed rate changes is judged by average basic rates paid during a normal year (1948), the wage increases asked for are nearly three times as great as would be necessary to restore 1920 wage rate relationships (Tr. 4384-94, 8268; Carriers' Ex. 3, pp. 28-40, 95).

Finally, say the Carriers, graduated wage rates based on weight on drivers is an obsolete and outmoded basis of pay even for engine service employees, consequently, it would be unwise, even if there were any conceivable justification for doing so, to extend this system of payment to train service where it is even more unsuitable than in engine service (Tr. 8273; Carriers' Ex. 27, pp. 64-73).

Discussion

The establishment of a graduated basis of pay for train crews that will utilize recognized engineers' brackets and increments, as set forth so fully by the Organizations in the instant matter, rests on a plausibility of argument that is quite easily comprehended. Train service employees function on the same trains as engine service employees, obviously assist in producing the same product in the same tour of duty as enginemen, and are identified with the same mechanical processes on each trip, namely, those that run trains over the road. Yet, as the Organizations clearly show, there is an obvious disparity in the earnings and conditions of employment of these two classes of employees. That is, the passenger service enginemen are able to earn a day's pay for running 100 miles or less in five hours or less, whereas conductors and trainmen aiding in the operation of the same equipment are required to remain on duty up to 7½ hours and produce 150 miles of transportation for a basic day's pay, thus having a longer basic day and also being deprived of an earlier onset of overtime.

The plausibility and tenability of this line of reasoning must, it seems to us, finally rest on a showing that there is a genuine comparability of duties, effort, skill, requirements of the job, qualifications, and responsibilities of the two classes of employees under consideration here. It is difficult, if not impossible, to escape the conclusion that the craft and occupational demands upon the engine service employees are more complex and more exacting than those which are imposed upon the train service crew. Cer-

tainly no convincing evidence to the contrary has been presented to this Board.

Nor do we believe that there is evidence that supports the contention that there has been an inordinate distortion of wage or earnings relationship between these classes of employees throughout the period subsequent to the early 1920's. What evidence is available leads to the conclusion, we think, that the train service employees have shared equitably in the adjustments that have been made in the wage structure of operating employees throughout the years.

In brief, the Board is unable to discover any logical or factual basis for extending to train service employees the Organizations' proposal for the application of a graduated basis of pay as presently applicable to engine service employees.

Recommendation

That the request of the Organizations be withdrawn.

5. *Restoration of Standard Wage Rates Between the Territories.*

All existing basic daily rates in effect applying to road train service employees on railroads in the western territory to be adjusted so as to eliminate the 1% differential which resulted from the 1928 wage settlement. Money differential above standard daily rates shall be maintained.

Organizations' Position. With regard to the instant request, the Organizations point out that its purpose is to remove an inequity against all road train service employees in the Western territory, which has resulted from the fact that in that territory differentials below Eastern and Southeastern territories were established in the West between 1926 and 1928 for both engine service employees and train service employees. Specifically, wage increases of seven and one-half cents (7½ cents) were allowed these employees in the East and Southeast whereas increases of only six and one-half cents (6½ cents) were allowed in the West (Employees' Ex. 48, pp. 1-7). The Organizations request the elimination of what they characterize as the one percent (1 percent) "adverse wage rate differential" which resulted from the 1928 wage settlement in the Western territory. The Organizations point out that this "wage discrimination" applies to road (i.e., freight and passenger) train service employees but is not inflicted on comparable employees in yard service or engine service crews in either road or yard service (Employees' Ex. 48, p. 1).

The Organizations state that, except for a few Mallet type locomotives, enginemen eliminated wage differentials in 1944, but they remain for conductors and trainmen. The Organizations reject the Carriers' defense of the differential which rests on the reasoning that doubleheader rules granted these employees

in Western territory constitute a *quid pro quo* for retention of pay differentials by Carriers in that territory, pointing out that the introduction of the Diesel locomotive has very materially changed the situation in respect to doubleheading (Employees' Ex. 48, p. 6; Tr. 94-5). Indeed, the Organizations state, the doubleheader rules obtained in passenger and freight services, even though such rules are of no consequence or value to passenger service employees. The fact is, say the Organizations, that the doubleheader rule problem is not properly related to or involved in the territorial differential problem (Tr. 94-5).

The Organizations further state that the doubleheader rule was written into the schedules for separate, distinct, and valid reasons having no relation to territorial differentials, and that the differential under consideration was forced upon the employees as a result of an emergency board decision and was never accepted as a result of collective bargaining (Employees' Ex. 48, p. 6). Nor are differentials, higher than standard rates, and higher than average earnings a justification for a territorial discriminatory differential, say the Organizations, especially in light of the fact that such differentials constitute a threat to established standards (Employees' Ex. 48, pp. 4-6).

Carriers' Position. The Carriers contend that the history of the differential between the Western territory and the Eastern and Southeastern territories condemns the Organizations' proposal for the elimination of the one per cent (1%) differential that resulted from the 1928 wage settlement. The fact is, say the Carriers, that the Organizations before this Board made an agreement with the Western carriers that if they could keep the doubleheader rules which then existed on western railroads they would accept lower basic rates for trainmen than those paid in the Eastern and Southeastern territories where no doubleheader rules or tonnage restrictions obtain (Tr. 8300; Carriers' Ex. 32, pp. 6-7). In addition to the parties, an emergency board in 1928 was in a sense a party to this agreement since it recommended that road service employees in the western territory should give up their doubleheader and tonnage restriction rules, and thus correct an inequitable situation discriminating against the western carriers, or else accept lower rates than those paid to other territories (Tr. 8300-01; Carriers' Ex. 32, pp. 6-7). The Carriers further point out that it was upon the basis of this recommendation that the Organizations agreed to accept a 6½ percent increase in rates in lieu of the 7½ percent increase that had been awarded in 1927 to conductors and trainmen in the Eastern and Southeastern territories (Tr. 8301; Carriers' Ex. 32, p. 7).

Nor must we lose sight of the fact, say the Carriers, that this 1928 settlement was very favorable to train service employees since higher than standard rates, arbitraries and special allowances added to standard basic rates paid in the West gave Western train service employees considerably higher earnings than train service employees in the Eastern and Southeastern districts (Tr. 8301; Carriers' Ex. 32, pp. 11-13). Indeed, say the Carriers, it was because of these higher earnings that the Western Arbitration Board had, just the year before, held that Western train service employees were not entitled to any increases in basic daily rates (Tr. 8301; and Tr. 6688). This award was made after and in the light of a 7½ percent increase in basic rates to conductors and trainmen in the East and the Southeast, the Carriers say (Tr. 8302).

The Carriers state that now the Organizations before this Board seek to retain their doubleheader rules and at the same time withdraw the consideration which they promised for these rules in the form of the so-called Western trainmen's wage differentials, though violating every principle of equity and justice (Tr. 8302).

Considerations quite apart from the 1928 agreement dictate the rejection of the instant demand, say the Carriers. Under present rates, the annual earnings and average compensation per basic day and per hour worked of train service employees are higher in the West than in the East or in the South, consequently the proposal, if granted, would aggravate rather than equalize differences in rates (Tr. 8302; Carriers' Ex. 32, pp. 11, 12-14; and Carriers' Ex. 32-A). With regard to the Organizations citation of the elimination of the western enginemen's differential in 1944, the Carriers point out that this action was the result of recommendations by an emergency board in 1943 and originated in conditions and considerations entirely divorced from those which are relevant here (Tr. 8303; Carriers' Ex. 32, pp. 24-25, 26).

Finally, the Carriers assert that the only fair and reasonable basis upon which the Western differential might be eliminated would be upon the condition that all higher than standard Western rates and all doubleheader rules be eliminated, the consequence of which would be that both the employees and railroads in the several regions would enjoy equal operating conditions and equal rates of pay (Carriers' Ex. 32, p. 26; Tr. 8303).

Discussion

Although the Organizations argue to the contrary, in the light of the evidence submitted it is difficult to escape the conclusion that there is a definite historical relationship between the one-cent

(1c) differential in wage rates under consideration here and the doubleheader rules that exist in Western territory. The evidence clearly indicates that pursuant to the recommendation of the 1928 Emergency Board, the Organizations accepted in behalf of train service employees in Western territory a 6½ percent increase in rates in lieu of the 7½ percent increase that had been awarded to conductors and trainmen in the Eastern and the Southeastern territories, and that the acceptance of what is here characterized as "an adverse differential" was in fact a *quid pro quo* for the retention of doubleheader and tonnage restriction rules that obtained in Western territory.

It is necessary also to recognize, we think, that generally annual earnings of conductors and brakemen in the Western territory are more favorable than annual earnings in the Eastern and Southeastern territories, due to their higher regional rates, arbitraries, and special allowances. Although one percent (1%) is not a large amount, the elimination of this differential between the territories would have a significant influence in unbalancing established wage and earnings relationships between said territories, unless concomitantly the doubleheader rules in the Western territory were abandoned.

Recommendation

That all existing basic daily rates in effect applying to road train service employees on railroads in the Western territory be adjusted so as to eliminate the 1 percent differential, and that simultaneously all doubleheader rules in Western territory be abandoned.

6. *Equalization of Mileage in the Basic Passenger Day at 100 Miles.*

> One hundred miles or less (straightaway or turnaround), five hours or less, except as provided in the short turnaround passenger service rule, shall constitute a day's work. Miles in excess of one hundred in all passenger service shall be paid for at the mileage rate provided.
>
> A passenger day begins at the time of reporting for duty for the initial trip. Daily rates obtain until the miles made at the mileage rates exceed the daily minimum.

Organizations' Position. The second paragraph of the instant proposal is the rule now in effect, consequently the arguments of the Organizations in this matter pertain only to the first paragraph (Employees' Ex. 54, p. 1). The Organizations call attention to the close relationship that obtains between this proposal and their request for the establishment of graduated rate of pay tables, all classes of service (Organizations' Proposal No. 4).

The Organizations point out that in requesting the equalization of the number of miles in the basic passenger day at 100, they

wish particularly to call attention to the fact that enginemen enjoy the 100-mile day, while the "threshold" of overmiles for train service employees is 150 miles. The effect of the existing situation is, say the Organizations, that the conductor, the man actually in charge of the entire train, cannot earn as much by the mile as the fireman, who is the junior employee of the engine service crafts.

Of the relative position of the conductor, the Organizations make a good deal. They state that on any run exceeding substantially one hundred miles, under the peculiar 150-mile standard for the conductor, the 100-mile per basic day fireman necessarily earns more money than the conductor, though his formally expressed basic daily rate is less. This follows from the fact that the fireman's mileage rate is the result of dividing the daily rate by 100 instead of 150. In every other class of service except the passenger service, the Organizations state, there is a distinct ranking in terms of rates per mile and total earnings on a given trip or days' yard work, the ranking being as follows: Engineer, conductor, fireman, and brakeman. But, say the Organizations, the inequitable basic mileage rules in the passenger service, raising enginemen at the 100-mile day far beyond train service employees at the 150-mile day, destroy the ranking and violate sound rules for differentiation in compensation since the conductor is moved to a place below that of the fireman (Tr. 104-5; Employees' Ex. 1, pp. 9-10).

The central emphasis in the Organizations' position in the instant proposal is, therefore, that the computation of trainmen's passenger service mileage is basically only two-thirds that of the enginemen; and the onset of overmiles at this reduced rate is deferred for 50 miles of produced transportation, in the running of which the enginemen have earned 50 overmiles (Tr. 106).

To illustrate the alleged inequity in the current situation, the Organizations present the following table (Table III, Employees' Ex. 54, p. 5).

The Basic Discrimination in Pay Per Mile, Road Passenger Conductors and Brakemen Compared with Road Passenger Engineers and Firemen.

Classification	Basic Daily Rate	Basic Day Rule	Compensation Per Mile
Road Passenger Engineers	$12.41*	100 miles	$.1241
Road Passenger Conductors	12.64	150 miles	.08427
Road Passenger Firemen	10.86	100 miles	.1086
Road Passenger Brakemen	10.49	150 miles	.0699

It is evident, the Organizations state, that at the weight-on-drivers bracket of 200,000 and less than 250,000 lbs., the engineers' mileage rate exceeds the conductors' by 47.3 percent, while

* Basic daily rate for weight on drivers bracket of 200,000 and less than 250,000 lbs.

at the same weight on drivers bracket, the firemen's mileage rate exceeds the conductors' by 28.9 percent. Moreover they point out, the engineers and firemen receive these higher mileage rates for all miles in excess of 100 miles, whereas the conductors and brakemen must produce 50 more miles of transportation before they receive these lower mileage rates (Employees' Ex. 54, pp. 5-6).

The Organizations assert that equalization of mileage in the basic passenger day at 100 miles will effectively wipe out existing inequities in compensation resulting from discrimination against trainmen in the passenger service, because equalization of mileage will require of passenger train and engine employees the same maximum mileage for minimum pay. The pay will, of course, the Organizations state, differ for the two crews substantially as it does in all other classes of road service. Moreover, the Organizations declare, acceptance of the instant proposal will establish for the train crews mileage rates in accord with their accepted position in the wage ladder, the conductor being between the engineer and the fireman, where he appropriately belongs. This result will conform with the fundamental principle that men in the senior craft should be paid more than those in the junior craft, and those responsible for others should receive more pay than their subordinates (Employees' Ex. 54, p. 27).

Other constructive effects of the acceptance of the instant proposal are cited by the Organizations, among which are: (1) the establishment of the same minimum threshold of overtime for train and engine crews in road passenger straightaway service; (2) the provision for train crews of equal opportunity for incentive earnings and for earning production pay now enjoyed by engine crews; (3) simplification of the wage structure and the task of wage revision; and (4) the removal of one of the most prolific sources of unrest and discontent among train crews in road passenger straightaway service (Employees' Ex. 54, p. 27).

The Organizations are careful to point out that in the through freight service, both trainmen and enginemen have an equal and identical basic day, namely, 100 miles; that in the local freight service, both trainmen and enginemen have an equal and identical basic day—100 miles; and that in the yard service, both trainmen and enginemen have an equal and identical basic day—8 hours. In the passenger service, however, say the Organizations, the engine service employees have a 100-mile basic day, while the train service employees have a 150-mile basic day. The inequity of such a situation is obvious, the Organizations declare. Out of this situation emerges the fact, the Organizations state, that by

the time the passenger conductor has earned his basic day's pay of $12.64, the average passenger fireman has earned $16.41, and that when the passenger conductor is working on overmiles his rate of 8.43 cents per mile is still less than the average passenger fireman's rate of 10.94 cents per mile. The brakeman similarly suffers adverse effects, it is alleged (Tr. 7975-77).

By establishing the conductor's rate at a point midway between that of the passenger fireman and the passenger engineer, the Organizations believe they have answered the objection presented by the Carriers before Emergency Board 33 in 1946 to the effect that this proposal would increase piece-work pay of the passenger train service by 50 percent (Tr. 7966-7).

Carriers' Position. The Carriers declare that the demand for a basic day of 100 miles for passenger train service employees is not founded on considerations of fact or merit but simply on the grounds that the passenger train service basic day should comprehend 100 miles of service to conform with basic day rules applicable to other road service employees, which comprehend 100 miles of service. The existence of a difference in the basic day between groups of employees does not presuppose an inequality or discrimination, say the Carriers. The difference in the basic day rules of road service employees is grounded upon sound considerations and founded in reason and equity, the Carriers contend. Moreover, it is stated, this difference has been recognized by the Organizations before this Board for over four decades (Tr. 8220-8221).

The Carriers state that the differences in the rates of pay and working conditions in passenger service as compared with other classes of road service justify the differences in the basic day rules applicable to these classes of service. The history of the basic day and overtime rule in passenger service shows that the Organizations were the first to suggest a 150-mile basic day for passenger train service, and that all boards and wage authorities that have considered the question have found ample justification for the preservation of the differential in mileage in the basic days of passenger train service and other road service employees, the Carriers point out (Carriers' Ex. 19, pp. 15-28).

Underneath the justification of existing differentials, the Carriers state, are the facts that: (1) the basic rates of passenger train service employees are higher than basic rates paid in most other classes of road service; (2) passenger service employees are more favorably situated with respect to hours worked and annual earnings than most other classes of road service employees, their average hourly earnings exceeding the hourly earnings of most

of the other road service employees and their earnings opportunities being greater; (3) they receive more pay for time not worked, and their working conditions are incomparably superior to those of other road service employees; (4) the hazards of their employment are substantially less than for other classes of road service employees; (5) less labor, skill and responsibility is required of passenger train service employees than of other road service employees; (6) passenger train service employees spend less time away from home than other classes of road service employees; and (7) they receive substantial earnings from monthly and daily guarantees that are not paid to their fellow-workmen (Tr. 8221-23; Carriers' Ex. 19, pp. 27-44).

The Carriers contend that the Organizations' instant proposal would increase the average compensation of these favored employees by approximately 41 percent, and would cause serious distortion of present earnings relationships. It is urged that under the proposal the earnings of many a passenger flagman and brakeman would exceed those of engineers and conductors in other classes of road service. The Carriers show that the actual cost of wages of passenger conductors and trainmen for one week in August 1949, amounted to $282,974, while under the Organizations' proposal for a 100-mile day the cost would have been $399,-273, an increase of 41 percent. By applying this percentage to the total passenger train service payroll for the 12 months ending September 30, 1949, the additional cost per annum to the Carriers, excluding all indirect costs and other proposals of the Organizations, would amount to $48,795,912 (Carriers' Ex. 19, p. 55, Appendix P, p. 98).

The indirect costs would be no less striking, the Carriers state. Acceptance of the instant proposal would mean an increase of some 30 percent in the number of train service employees required to perform the necessary operations, say the Carriers. Indirect costs include such items as additional payroll taxes, vacation costs, accounting expenses, cost of supervision, cost of recreational facilities and lockers, and cost of additional uniforms for additional employees. It is estimated that 6802 additional employees would be required under the Organizations' request, or 30.2 percent. This is especially significant, the Carriers state, when it is remembered that the passenger service is operated at a loss. Carriers' citation of an Interstate Commerce Commission Report dated August 2, 1949, in *Ex Parte* No. 168, revealed that in 1948 passenger service operating expenses of $1,828 millions exceeded the passenger operating revenues of $1,435 millions by $393 millions, giving an operating ratio of 127 percent. (Carriers' Ex. 19, p. 53).

Discussion

The principal reason advanced by the Organizations for the extension of the 100-mile Basic Day to Passenger Service is that the engine service employees have such a basic day. No successful attempt was made to compare job content between the engine service employees and the train service employees.

Passenger train service employees have high earnings. That service is sought by those with long years of seniority. The Organizations' proposal, if approved, would raise the earnings of these employees by one-third. It probably would also cause the engine service employees to request a decrease in the basic mileage day or an increase in rates to restore their historic position. In the absence of a showing of comparable skills, duties, and responsibilities between the engine service and the train service, the Board finds no adequate basis for equalization of mileage as requested by the Organizations. To destroy existing earnings relationships would merely lay the foundation for a corrective movement on the part of engine service employees.

Recommendation

That this request be withdrawn.

7. *Extension of the Principle of Time and One-Half for Overtime to Passenger Service.*

Overtime in all passenger service shall be paid for on the minute basis at a rate per hour of 3/10 of the daily rate according to class of engine or other power used.

Organizations' Position. According to the Organizations, what is sought here is nothing more than extension to passenger service conductors and trainmen of the same overtime rate which is presently almost universal in American industry, and which in the railroad industry itself is currently paid both train and engine service employees in freight and yard service, namely, time and one-half (Employees' Ex. 53, p. 1). Conductors' and trainmen's existing basic day in straightaway passenger service is 150 miles or less, 7½ hours or less, a fact which must be kept in mind, the Organizations point out, in comprehending the instant request.

By way of explanation of what they seek here and why they seek it, the Organizations detail existing conditions. In the short turnaround passenger service, as in most other industry, overtime hours are those in excess of 8 hours in a day. In the straightaway service (i.e., all other passenger service), however, there is no set number of hours beyond which overtime begins. The threshold of overtime varies, the Organizations state, with the assigned run, although under normal operating conditions, it is constant for each of these assignments. Overtime, it is emphasized, can never begin

until the employee has not maintained the speed basis of 20 miles per hour (applicable to all passenger service), averaged over the entire trip from time of reporting to final release. Under the dual basis of pay, as long as the straightaway passenger service employees make their trips at 20 miles per hour or faster, they will be paid for the miles run, and will never run into overtime, regardless of the number of hours worked (Employees' Ex. 53, p. 1). If they should not maintain this average speed per hour for the whole trip, the length of the run (being, for example, 200 miles), is divided by the speed basis of 20 miles per hour to arrive at the number of hours of straight time (in this case 10 hours). All time beyond the length of the run (miles divided by 20) is overtime. In this example of a 200-mile run, all hours over 10 would be overtime hours, paid for at the present overtime rate of one-eighth the basic daily rate.

The Organizations point out that one-eighth of the basic daily rate is not an amount equal to mileage pay for 20 miles per hour, but is, actually, equal to pay for only 18¾ miles per hour. It is further explained that the 20-mile-per-hour speed basis comes from the definition of the basic day for conductors and trainmen of 7½ hours and 150 miles, since 150 miles run in 7½ hours produces a speed of 20 miles per hour. Hence, say the Organizations, one-eighth the basic daily rate produces an hourly overtime rate that is less than the straight-time rate (Employees' Ex. 53, p. 2).

In support of the request, the Organizations also point out how the conductor and the trainman are disadvantaged in comparison with conditions enjoyed by the engineer and the fireman. Engineers and firemen in passenger service are on a 100-mile, 5-hour, basic day, which effects a speed basis of 20 miles per hour. Their overtime rate is also one-eighth of their basic daily rate, and one-eighth of their basic day of 100 miles is only 12½ miles per hour. Thus, engineers and firemen are paid for overtime hours even farther below the straight-time rate than conductors and trainmen since one-eighth of 5 hours is still less than one-eighth of 7½ hours. But whether the basic day is 100 miles in 5 hours (as for enginemen), or 150 miles in 7½ hours (as for trainmen), the straight-time rate is still the speed basis of 20 miles per hour, and it is upon this straight-time rate that the Organizations propose that premium overtime (at the rate of time and one-half) be computed. It is obvious, say the Organizations, that in the calculation of overmiles (miles over 100 in one case, and over 150 miles in the other), there would be a difference, but there would be no difference whatever in the number of hours an employee would have to work before running into overtime. The Organizations here are seeking to alter the point at which the onset of overtime occurs. It

is their contention that they seek only that, once overtime does occur, it be paid for at the true premium overtime rate of time and one-half, instead of at the current less than straight-time rate (Employees' Ex. 53, p. 2).

The Organizations state that workers in other industries, either by statutory provision or by collective bargaining, receive premium pay after 40 hours in a week and eight hours in a day, while railway workers were not included under the provisions of the Fair Labor Standards Act. This fact does not, they contend, justify the inapplicability of the principle of such overtime pay to any and all railroad employees; what is recognized as fair for workers in other industries is equally just for rail employees (Employees' Ex. 53, p. 14). The Fair Labor Standards Act, the Organizations remind us, requires that time and one-half be paid after 40 hours a week, and the Walsh-Healey Act provides that employees working for firms having government contracts be paid premium overtime after 8 hours in each day. Not only are the 40-hour workweek and the 8-hour day standard for American industry, but often workers receive overtime after less than 40 hours per week, the Organizations state. Moreover, it is urged, premium overtime is paid in almost every other phase of the railroad industry except in passenger service, and even there, in some instances, it is recognized. Moreover, this has been true for more than 30 years, the Organizations say. Premium overtime at the rate of time and one-half has been paid, with minor exceptions, for hours in excess of 8 in a day in all yard service since 1919, and for all trainmen and enginemen in all road freight service since the same year, it is pointed out. Nor should it be forgotten that on September 1, 1949, nonoperating employees have been on a 40-hour workweek with premium pay for all hours worked in excess of 40 in one week or 8 in a day (Employees' Ex. 53, pp. 14-15). Even in passenger service, the Organizations state, some railroads partially recognize the principle of overtime pay, as for example, the Baltimore and Ohio Railroad which pays engineers and firemen at the rate of three-sixteenths of the basic daily rate, rather than, as on most roads, at only one-eighth of the 5-hour daily rate (Employees' Ex. 53, p. 16).

The principle of premium overtime, say the Organizations, requires that if a man must work long hours, regardless of whether these long hours are avoidable or not, he is entitled to extra compensation therefor. The very fact that such hours must be worked in continuous operations demonstrates their value to management, assert the Organizations (Employees' Ex. 53, p. 18).

The dual basis of pay by no means precludes the payment of premium overtime in the passenger service of the railroads, the

Organizations state, since such payment has long since been provided in the freight service, and exists in all other industries in which incentive plans are applied. The Organizations declare that increased speed of passenger trains, which Carriers cite as an argument against premium overtime in that service, is a productivity gain that passenger service employees have earned through the incentive system—the dual basis of pay, originated by the Carriers themselves (Employees' Ex. 53, p. 18).

The final argument of the Organizations, and by their own evaluation the most important factor in consideration of the merits of the overtime principle, is that actual work hours of passenger employees are not short and that their work hours before overtime can commence are excessively long. In this connection, it is pointed out that overtime for these employees can never begin after only 5 hours, regardless of the length of the basic day, unless the length of runs is 100 miles or less. Actually, it is said, the present average length of conductors' and trainmen's runs is 175 to 200 miles, setting the point beyond which overtime will begin at 9 to 10 hours of straight-time work (Employees' Ex. 53, p. 19).

Carriers' Position. In considering the Organizations' proposal that overtime in all classes of passenger service shall be paid for at a rate per hour of three-tenths (3/10ths) of the daily rate, the Carriers emphasize the fact that currently the overtime rate in all classes of passenger service is one-eighth (1/8th) of the daily rate (Tr. 8224; Carriers' Ex. 20, p. 3). This rate, it is noted, is paid in engine service and in train service, and the Organizations here propose to increase the rate in train service by 140 percent. In advancing this extraordinary proposal, the Carriers state, the Organizations attempt to justify it by reference to the fact that the overtime rate paid in freight service and in certain outside industries is usually a punitive rate of time and one-half times the pro rata hourly rate, forgetting that overtime payments in freight service and in industrial employment generally are entirely different in purpose and in theory from overtime payments in passenger service (Tr. 8225, 4020, 3918-25; Ex. 20, pp. 36-41).

Approximately 82 percent of all overtime payments made to passenger train service employees are paid in short turnaround passenger service, and invariably are made to employees who work only a fraction of an 8-hour day, the essential purpose being to compensate short turnaround passenger service employees for time off duty between trips from and to their homes (Tr. 8226, 5886; Carriers' Ex. 20, pp. 3, 77-82, Ex. 2, p. 42). Many short turnaround passenger service employees may and do spend this time at home, and may use it as they desire, the Carriers state (Tr.

5926, 8226). These employees are paid a basic day's pay for an average of only 5 to 7 hours of service (Tr. 8227, 5894-96; Carriers' Ex. 2, p. 42; Ex. 20, pp. 78-82).

The Carriers state that some 18 percent of the overtime paid in passenger train service is paid to other than short turnaround passenger service employees, usually in long turnaround service, where the purpose of overtime payments is exactly the same as in the short turnaround service. That is, say the Carriers, overtime in long turnaround service is paid for time not worked and to compensate the employees for time at the turnaround point waiting to start the return trip (Tr. 8227, 5942; Carriers' Ex. 20, pp. 3, 55, 67, 77). Only a trifling amount of overtime is paid in straightaway passenger service, and this occurs only when an emergency has arisen and is a "bonus" received in addition to their mileage earnings to compensate employees for the delay of their train (Tr. 5943-44, 5944; Carriers' Ex. 20, p. 4). It is not strange, the Carriers think, that a demand for overtime under these circumstances has been rejected by an emergency board (Carriers Ex. B., pp. 545-46; Ex. 20, p. 64. Tr. 8229).

The Carriers state that the application of the instant proposal in the short turnaround passenger service would increase the compensation of many employees by more than 50 percent, and these employees would receive up to $12,000.00 per year for as little as 30 hours of work per week (Tr. 8229; Carriers' Ex. 2, p. 42; Ex. 20, p. 78, 90-91; Ex. 31, pp. 12-14).

It is difficult to believe, say the Carriers, that the instant demand is advanced seriously in view of the fact that all passenger service is operated at a loss, and with short turnaround passenger service showing a more unsatisfactory result than other types of passenger service (Tr. 8229, 5939-41; Carriers' Ex. 2, p. 35; Ex. 3, p. 22; Ex. 19, pp. 53-54; Ex. 20, pp. 48-53, 93-95).

The Carriers contend that the Organizations' complaint that the overtime rate in passenger service is less than the pro rata rate is not true in short turnaround passenger service, and that whether it is true in straightaway service depends upon the existence of a 7½-hour basic day or an 8-hour basic day, a matter variously interpreted by the Organizations as circumstances dictate (Tr. 8230).

Discussion

It seems clear from the facts presented to us that the occurrence of overtime in this part of the railroad industry, is not within the control of management to the same extent that it is in outside industries. The public needs service in being transported for

pleasure and for work and such needs determine the necessities of service at all hours of the day.

On long runs the dual system of pay gives to these workers an opportunity to make high wages in short hours. In short turn-around service the actual working hours are short, the work is pleasant and not difficult. These short runs are manned by those with long years of seniority. They receive initial and terminal delay time and other arbitraries. They also have monthly guarantees. If this request were granted 82 percent thereof would be paid to 24 percent of the trainmen who are working in turn-around service. It would cause the wages of these employees to be increased to a considerable extent. It would cause great disparity of earnings between the workers in other branches and those in this branch of service.

Recommendation

That the proposal for overtime rate in the passenger service be withdrawn.

8. *Correction of Unreasonable and Unnecessary Initial Terminal Delay.*

> In all classes of road service initial terminal delay shall be computed from time train service employees are required to report for duty to time train departs from passenger station or designated point within terminal. All such delayed time if in excess of 30 minutes shall be paid for on the minute basis at the regular hourly rate applicable to the class of service performed. Such payment shall be in addition to road trip pay without deduction therefrom.

Organizations' Position. In support of the instant request, the Organizations state that pay, in addition to pay for the road trip, is for "unreasonable" and "unnecessary" initial terminal delay. The proposal is intended to cover all conductors and trainmen in road service, both freight and passenger, the Organizations point out.

The alleged inequity in the existing situation is illustrated by the Organizations as follows (Employees' Ex. 49, p. 1) :

> In the freight service a train crew having a 150-mile run between A and B may be on duty a period of 12 hours before running into any road overtime, and for that 12 hours will be compensated 150 miles, or a day and a half's pay. In the event that such a crew is called by the carrier to report at A at 8 a.m., and does not depart from A until 11 a.m., there remains a period of 9 hours in which the run may be made and release obtained from the tour of duty at B.
>
> Under existing rules, this train service crew would be compensated for 150 miles, with no compensation whatever for the 3 hours spent at the initial terminal.

The Organizations insist that ever since a ruling of the Director General of Railroads, during federal control some 30 years ago, the employees in road service have attempted to obtain an adequate

and uniform initial terminal delay rule as a preventive or corrective device against long-standing abuses by the carriers in the form of impositions upon what would otherwise be free time of men in road service. In the example cited above, say the Organizations, the employees under the proposed rule, would be compensated for the road trip and, because the delay at the terminal exceeded the 30 minutes normally adequate as preparatory time, would be paid for the full 3 hours of unreasonable and unnecessary delay at the initial terminal. The net result of the present inefficient methods of operation, which occasion initial terminal delays, is, state the Organizations, that road service employees are deprived of the benefits in free time that would otherwise accrue to them by virtue of the normal operation of the dual basis of pay, under which the given compensation is paid for miles run faster than the speed basis (Employees' Ex. 49, p. 1).

In the presentation of their position on the instant request, the Organizations make much of the recommendations of Emergency Board 57 in 1946. In this connection it is pointed out that that Board's findings acknowledged three essential principles neglected by the August 11, 1948, Washington Agreement covering the Brotherhood of Locomotive Engineers, the Brotherhood of Firemen and Enginemen, and the Switchmen's Union of North America. These three principles are that: (1) the Carrier is entitled, under the dual basis of pay, to a reasonable preparatory period but no more, to be paid for as part of the road trip; (2) initial terminal delay beyond such a reasonable preparatory period is an imposition upon the men, wresting from them time which would otherwise be off-duty time at their rightful disposal, and should, therefore, be paid for; and (3) there is no cause and less reason to make any discriminatory distinction respecting unreasonable and unnecessary initial terminal delay between any branch of road service, whether as between passenger and freight service, as was done by Emergency Board 66, or as between passenger service and through freight service, on the one hand, and local freight, on the other, as was done in the Washington Agreement (Employees' Ex. 49, p. 4).

The Organizations here take the position that the period of free time allowed by the Washington Agreement (60 minutes in the passenger service and 75 minutes in the through freight service) is unrealistically long, and allows Carriers unnecessarily to trifle with the otherwise free time of their employees, and that exclusion from that agreement of employees in the local freight service is unjust to those relatively few employees in that service whose runs normally are made well above the speed basis. The Organizations

also assert that the manner of offsetting road overtime against compensable initial terminal delay time, which is provided in the Carriers' agreement with the engineers and firemen, unfairly deprives the employees of specific additional amounts of otherwise free time without compensation therefor (Tr. 97-98).

The Organizations point out that the principle of compensation for "unreasonable" and "unnecessary" terminal delay was also clearly recognized by Emergency Board 57 in 1948, though limited in these recommendations to the passenger service (Tr. 97).

Thus, say the Organizations, neutral and impartial agencies have recognized and established the principle embodied in the instant request which is that, after allowing a reasonable period of time for normal preparatory functions at the initial terminal, the Carrier should exceed that period because of unusual and unnecessary conditions at that terminal, it is only fair that the employees involved should be compensated for the delay over and above compensation for the road trip itself (Tr. 97).

In conclusion, the Organizations state that: (1) all services should be covered by an initial terminal delay rule—passenger, through freight, and local and way freight, alike; (2) no more than 30 minutes should be allowed as "free-time," an amount demonstrated to be ample and adequate for all normal preparatory work, and all initial terminal delay in excess of this period should be paid for; (3) duplication of payment under the initial terminal delay rule should be avoided, a principle which the Organizations accept with the proviso that the method employed to avoid such double compensation should not be one which permits a part of the properly compensable delay time to go unremunerated but rather should justly require payment for all such time (Employees' Ex. 49, p. 19, Ex. 49-A).

Carriers' Position. Concerning Organizations' request for additional pay for terminal delay, Carriers declare that the proposal in essence is for the payment of double pay for initial terminal delay, the additional compensation demanded being on an hourly basis for time spent at the initial terminal (Tr. 8288, Carriers' Ex. 29, pp. 2-8). The Carriers further point out that the expression "terminal delay" is a misnomer in that it suggests "wasted time" whereas such time is truly preparatory time, not delay time; it is time consumed in performing duties obviously necessary and justifiable under the circumstances that obtain in the specific instance (Carriers' Ex. 29, pp. 2-3). The socalled "delays," say the Carriers, are neither abnormal nor avoidable, but rather are an integral part of every day's operations. Quite apart from the essential duties which must be performed by engine and train crews in all road

services prior to departure from a given terminal, there are, say the Carriers, often physical occurrences or mishaps which are unforeseeable and which contribute to the time that may be spent in a terminal before departure (Carriers' Ex. 29, pp. 3-4, 9).

The proposed rule, state the Carriers, would impose an unavoidable penalty upon the Carriers for work for which the employees are already adequately paid, and means that when the time at the terminal exceeds 30 minutes all of that time shall be paid for twice. Moreover, say the Carriers, since the proposed initial terminal delay rule has no relation to the work performed by the men and cannot be avoided by the Carriers, no matter how efficiently their terminal operations are conducted, the demand here is actually for unearned pay increases (Carriers' Ex. 29, pp. 31-33).

Nor is it true, say the Carriers, that penalty pay for terminal delay time will eliminate terminal delay, consequently the real purpose of such a request is to increase wages. In this connection, say the Carriers, it is essential to remember that all time spent on the road and in the terminals is fully and adequately paid for under the dual basis of pay which takes into consideration both hours and miles as factors in figuring compensation. Besides, state the Carriers, initial terminal time has been bought and paid for by the granting of punitive overtime rules (Carriers' Ex. 29, pp. 34-35). If, say the Carriers, the employees desire to be paid on an hourly basis, they should be willing to surrender the dual basis of pay and its many advantages and benefits, rather than seek, as they do here, to retain piece-work rates, minimum day rules and compensation for time not worked and miles not run, and at the same time obtain additional hourly compensation for time when mileage is not being accumulated (Tr. 8289).

The Carriers state that socalled initial terminal delay rules in freight service were abolished in 1919, when the Director General issued Supplements 24 and 25 to General Order 27, effective December 1, 1919. This was done in return for a punitive overtime rule in freight service of time and one-half, and the arrangement was accepted by the Organizations which here seek to repudiate it (Carriers' Ex. 29, p. 19; Tr. 8290).

Discussion

The question of compensation for what is so often characterized as "unreasonable and unnecessary initial terminal delay" has been before other boards and agencies appointed to examine the integral problems involved. Impartial judgment has recognized that it is extremely difficult, if not impossible, to obtain from the parties any agreement as to what constitutes "unreasonable and unnecessary" terminal delay under any circumstances. The Car-

riers always insist that all initial terminal delay is necessary and unavoidable, hence reasonable; the Organizations invariably contend that delay beyond a certain specified period of time, as, for example, the thirty (30) minute maximum in the instant request, is unreasonable and unnecessary. The objective judgment of impartial agencies has been that it is not possible to define exactly the point of time at which such delay is unreasonable and unnecessary; that depends upon existing conditions.

This same impartial judgment has also recognized, however, that initial terminal delays may be longer than is absolutely necessary properly to equip and prepare trains for the run, and that such delays militate against the economic interest of the employees involved. That the Carriers are justly entitled to a period of initial terminal delay properly and adequately to prepare trains for the run, allowing to some extent for unforeseeable circumstances that delay departure, is also clearly recognized by neutral observers. This Board is of the opinion that thirty (30) minutes is not a reasonably adequate period for such purposes and to meet unforeseen contingencies beyond the Carrier's control. We believe that sixty (60) minutes in passenger service and seventy-five (75) minutes in the through freight service is not "unreasonable" or "unrealistically long," as the Organizations here contend.

Recommendation

That train service employees in all classes of road service be given an initial terminal delay rule comprehending a sixty (60) minute maximum preparatory period for employees in the passenger service and seventy-five (75) minute maximum preparatory period in the freight service, the details of the rule to be formulated by joint agreement.

9. *Expense Away from Home Terminal.*

Employees in road train service shall be paid an allowance of not less than Five Dollars ($5.00) per day for expenses, when away from home, for lodging accommodations and meals. This allowance to be adjusted per day on basis of elapsed time computed continuously from time of going on duty at the terminal to the time of release from duty at the said terminal. The expense account allowance to be in addition to all other compensation earned during the tour or tours of duty.

Expense away from home terminal shall be allocated as follows:

Period from time of reporting at home terminal to time of release from duty at same terminal.	Allowance
8 hours or less	None
In excess of 8 and up to 12 hours	$1.25
In excess of 12 and up to 16 hours	2.50
In excess of 16 and up to 20 hours	3.75
In excess of 20 and up to 24 hours	5.00
Time in excess of 24 hours for each unit of six hours or less	1.25

Organizations' Position. In introducing testimony and evidence with regard to the request for expenses away from home terminal for road train service employees, the Organizations contend that here they are asking for something which is almost universally granted to wage-earners, namely, reimbursement for all expenses incurred as a result of their work, especially travel expenses. Only the railroad industry, the Organizations insist, allows its employees to incur such expenses without reimbursement, and even in this industry this matter is a problem for only a segment of its employes (Tr. 98-99).

The Organizations state that studies made by the United States Bureau of Labor Statistics show that most collective bargaining agreements provide for such reimbursement. Among the examples specifically cited in this regard are those from the air transport industry, the maritime industry, the highway transport industry, the pipe line industry, and many others (Employees' Ex. 51, p. 1-58). In these and similar industries, the Organizations point out, necessary business expenses incurred in behalf of the employing corporation are not charged to the employees but are borne by the company itself. Even in the railroad industry, the Organizations state, fully two-thirds of the employees in the socalled nonoperating group are reimbursed for all travel expenses incurred away from headquarters or the home terminal (Tr. 99).

It is not a valid argument against such a request as is here presented, say the Organizations, to contend that the dual basis of pay serves to reimburse the road employees for their away from home expense. This cannot be true, they insist, for the mileage rates are the same whether there is any expense incurred away from home or not, nor is there any provision whatever for modifying the mileage rates upon the basis of necessary away-from-home expense. Even if it were granted that the dual basis of pay in some mysterious way provides recompense for employees' expense away from home terminal, it would still also be true, the Organizations state, that the dual basis of pay fails completely to establish any relationship between the actual expenses and the alleged reimbursement (Tr. 100).

The Organizations state that a questionnaire (Employees' Ex. 52), circulated by the two Brotherhoods before this Board, established, among other things, that the average road employee's expense away from home for 1948 equalled the sum of $715.35, as revealed from income tax returns. This, the Organizations remind us, constitutes an average of approximately $2.00 per calendar day or $5.11 per trip. Under the instant proposal, say the Organizations, the amount of $4.11, or approximately 80 percent of the

expense, would be reimbursed. The total in this instance would be $580.00 per year, which would mean approximately $48.00 per month or $1.60 per calendar day (Tr. 100, 7970).

Carriers' Position. The Carriers contend that the history of the problem of pay for expenses away from home terminal clearly shows that the employees before this Board in the instant matter have repeatedly demanded and secured increases in their basic daily rates to compensate them for such expenses. By 1948, the Carriers state, all road service employee organizations had been successful in having the uniform held-away-from-home terminal rule changed so as to provide that any held away time after 16 hours would be paid for as an arbitrary and not coupled with any subsequent service. Having exhausted the possibility of obtaining further gains under the held-away-from-home terminal rule, the Organizations now seek to impose on the railroads an expenses-away-from-home rule, the Carriers assert (Carriers' Ex. 28, pp. 46-47). The Carriers in developing the argument that the Organizations have used the request for expenses away from home terminal to procure increases in basic rates of pay point out that away-from-home expense is fixed in the basic rates which are used as a yardstick for determining the compensation of road service employees (Carriers' Ex. 28, pp. 4-42, 47). Held-away-from-home terminal rules currently in effect and applicable to pool freight and unassigned service cover time at the away-from-home terminal, the Carriers state. It is further stated that under the instant request the employee would be considered away from his terminal from the time he reports for duty at the home terminal (Carriers' Ex. 28, p. 47).

In establishing the relation of the instant request to the dual basis of pay, the Carriers point out that under that system of pay road service employees receive on a per hour work basis almost double the wage increase received by other employees when a cents per hour wage increase is granted across the board in the railroad industry. That is, state the Carriers, a 10 cents an hour increase to yard service employees and to nonoperating employees is just that—a 10 cents an hour increase; but a 10 cents an hour increase to road service employees is in fact a 16.3 cents an hour increase, because of the operation of the dual basis of pay. The dual basis of pay has been fully recognized as providing, among other things, adequate compensation for expenses away from home, the Carriers state (Tr. 8285; Carriers' Ex. 28, pp. 45-48, 53).

The Carriers also call attention to the President's Award of December 27, 1943, under which the employees involved in this case received an increase of 5 cents per hour in lieu of expenses

away from home. At the insistence of the employees, the Carriers say, this 5 cents per hour was added to the basic rate (Carriers' Ex. 28, pp. 48-49).

Finally, Carriers assert that the estimated annual increase in the compensation, or income, of road train service employees under the Organizations' request would be almost $60,000,000. When considering this matter of costs, the Carriers say, it is necessary to remember that millions of dollars are spent by them in providing eating and sleeping accommodations for these employees while at their away-from-home terminals. Often, it is stated, beds are furnished free or at nominal cost, meals are served at a fraction of actual cost, and recreational facilities are available without charge (Tr. 6477-79, 8285-86).

The indefensibility of such additional cost to the Carriers as the instant request would cause is clearly seen, say the Carriers in the application of the proposed rule in the short turnaround passenger service. In this class of service, the Carriers state, 75 percent of all conductors, trainmen, flagmen and ticket collectors are away from their home terminals for periods exceeding eight hours, although they spend every night at home. All such employees would, under the proposed rule, receive from $1.25 to, in a few cases, as much as $2.50 per day for expenses while away from home, although their actual expenses would be little or nothing at all (Tr. 8287).

Discussion

The evidence submitted by the Organizations in the instant matter and common knowledge of the practices that obtain in private industry and business outside of the railroad industry support the contention that employees normally are reimbursed for expenses incurred during tours of duty away from home. Such a practice, it seems to us, is just and reasonable; indeed, it is usually necessary in order to attract an adequate and competent personnel.

Having recognized the prevalence of the practice of reimbursing employees for expenses incurred while on duty away from home, the basic and pertinent question is: In the railroad industry have operating employees in the passenger and freight service been granted adjustments in their basic rates of pay which were intended to include expenses incurred while on duty away from home terminal? The Board is of the opinion that the evidence presented by the Carriers in the instant matter sustains an affirmative answer to this inquiry. Held-away-from-home terminal rules and the dual basis of pay provide for road service employees in all classes a wage and earnings structure, including straight-time rates, overtime rates, arbitraries, special allowances and construc-

tive hours, which adequately compensates for services performed and expenses incurred away from home terminal.

Recommendation

That the Organizations' request for expenses away from home terminal be withdrawn.

10. *United States Mail Handling Allowance.*

Train baggagemen and other trainmen required to handle or assist in handling U. S. mail in cars of their trains will be paid the following allowances for each mile operated during their tour of duty, in no instance for a lesser number of miles than those which constitute a basic day, said allowances to be in addition to all other compensation earned during the tour of duty:

(a) ½c for the equivalent of three linear feet or less.

(b) 1c for the equivalent of more than three linear feet, but not to exceed the equivalent of nine linear feet.

This allowance will apply when the amount of such mail handled between any two points exceeds in volume three linear feet (the minimum space that can be authorized by the Post Office Department; viz., 3 linear feet or its equivalent, 46 sacks or pieces) but not to exceed nine linear feet.

(c) 1½c for the equivalent of more than nine linear feet.

This allowance will apply when the amount of such mail handled between any two points exceeds in volume nine linear feet (viz., 138 sacks or pieces, or more).

Loading United States Mail into cars, storing it in the car, sorting enroute, or unloading it at intermediate or terminal points will constitute "handling" under this rule. The extra allowance for handling United States Mail will not apply when "storage" mail is in charge of train baggageman, provided he is not required to "handle" it.

This allowance shall apply also to the conductor in charge of the train on which this service is performed.

NOTE: "Linear feet" shall be determined in accordance with the formula prescribed by the U. S. Post Office Department, which specifies that a prescribed number of sacks or parcels constitute a certain number of linear feet or the equivalent thereof.

Organizations' Position. In regard to the request for an increase in the allowance of train baggagemen and other trainmen required to handle or assist in handling United States mail in cars of their trains, the Organizations state that for many years, regardless of the amount of mail handled by the baggageman, and regardless of the amount of either increased volume of mail handled by the carriers or increased rates paid them by the Post Office Department, the baggagemen's additional responsibility has been compensated at the rate of 34 cents per basic day (Tr. 93). The Organizations declare that, for the substantial amount of additional hard work involved, it is their purpose to obtain payment on a graduated basis, from one-half cent per mile to 1½ cents per mile, depending upon the number of linear feet of mail handled. Included in the coverage of the proposal is the conductor who, the Organizations point out, is in charge of the train and who is held responsible for

this mail; he is to be compensated additionally, and in like graduated amounts, when United States mail, not in storage and not handled by Railway Post Office employees, is a part of the work of his crew (Employees' Ex. 47, pp. 1-2, 7; Tr. 93-94).

In the development of their position in the instant matter, the Organizations point out, first, that the 34-cents per basic day mail allowance is inequitable in that it is a fixed sum rather than a payment adjusted to production. The Carriers, they state, are paid in proportion to the total amount of space used per mile, consequently, the employees here concerned are likewise entitled to mileage pay which is scaled to the amount of mail handled in accordance with the limit indicated (up to nine feet). The inequity is further reflected in the fact that, although the Carriers are paid a minimum of 3 feet whenever any mail is transported, the employee receives no pay whatever unless at least 3 feet are handled, according to the Organizations. The 34-cents per basic day allowance has not been modified for more than 20 years, a fact which in itself is a manifestation of unfairness, the Organizations state (Employees' Ex. 47, p. 7).

Among the additional observations advanced by the Organizations with regard to the instant matter are: (1) The amount of work per baggageman has increased from three to four-fold in the period of these more than 20 years; (2) the mail allowance today amounts to less than half as much of an increase in the basic daily rate as it did 20 years ago; (3) the revenue received by the Carrier per unit of mail transported has increased almost 40 per cent since the introduction of the present mail allowance, and a still further increase is currently before the Interstate Commerce Commission; (4) total payments for mail allowance have never amounted to more than one-half of one per cent of the revenue received for mail handled in baggage and storage cars; (5) mail allowance payments are a decreasing portion of baggage and storage car mail revenue received by the Carriers, being currently about one-third of one per cent of the corresponding mail revenue; (6) mail revenue accounts for an increasing percentage of passenger operating expenses; (7) the job of the passenger baggageman is difficult and laborious and requires the production of more miles than that of any other operating craft; and (8) conductors' participation in compensation for handling mail is justifiable on two grounds, namely, (a) as equitable compensation for increased responsibility, and (b) in order that the traditional and accepted conductor-baggageman differential may be maintained (Employees' Ex. 47, pp. 7-8).

Carriers' Position. In opposing the Organizations' instant proposal, the Carriers point out that the present 34 cents per basis day

allowance to baggagemen, or brakemen for handling in excess of 3 linear feet of United States mail between any two points is at the rate of .0227 cent per mile, with no allowance to conductors, who have never been compensated in this regard. It is essential to remember, say the Carriers, that Organizations' instant proposal will give conductors additional pay for performing no service and will increase the mileage rate of train baggagemen and trainmen handling United States mail from .0227 cent per mile to a minimum of ½ cent, or 120 percent, and a maximum of 1½ cents per mile, or 560 percent, for performing considerably less work than when the allowance of .0227 cent was put into effect in 1926 (Carriers' Ex. 23, p. 1).

The proposal, say the Carriers, would increase the compensation of many baggagemen as much as 20 percent, and would add as much as $1200 to their annual earnings. The earnings of the conductors assigned over the miles of the baggagemen's run, which is even longer, would be increased by even larger amounts, the Carriers contend (Carriers' Ex. 3, p. 24; Ex. 23, pp. 43-47; Tr. 8242).

The evidence shows, state the Carriers, that there is absolutely no justification for such precipitous increases in the rates of pay of the employees involved. The principle duties of baggagemen, it is stated, are to handle baggage, milk and cream, sometimes express and United States mail, but the amount of these commodities handled by baggagemen has decreased substantially during the last 20 years (Tr. 4329; Carriers' Ex. 23, pp. 22-26). While the amount of mail handled per mile and per assignment has remained about the same during the last two decades, perhaps increased a little, the evidence clearly shows, say the Carriers, that the work of the passenger baggagemen is considerably lighter today than in prior years and in all probability will continue indefinitely to diminish (Tr. 4329, 4330-32, 8243; Carriers' Ex. 23, pp. 26-37).

According to the Carriers, the earnings presently received by baggagemen are more than adequate to compensate these employees for the comparatively light work that they perform; the baggagemen's earnings range from $316 to $575 a month, with average earnings during the month of October, 1949, amounting to $422. These earnings, it is said, are higher than those of any other of the classes of employees handling express, baggage or mail, namely, railway postal clerks, station employees, railway express agency messengers and helpers and mail porters and handlers (Tr. 4325-26, 8243; Carriers' Ex. 3, p. 23). Little wonder, the Carriers state, that train baggagemen's assignments, because of the comparatively light work and the high earnings, are preferred positions on the American railroads. Many baggagemen, it

is asserted, have given up their seniority rights as passenger and freight train conductors in order to hold baggagemen's assignments, and others continue to bid in baggagemen's assignments year after year though eligible for conductor positions (Tr. 4333, 8244; Carriers' Ex. 23, p. 40). Indeed, say the Carriers, because of the comparatively light work involved baggagemen's assignments are frequently filled by employees whose physical disabilities disqualify them for any other class of road service (Tr. 4333, 8244; Carriers' Ex. 23, p. 40). Yet, under the instant proposal, on certain trains where relatively few bags or pieces of United States mail are handled the cost to the Carriers would be as much as $5.07 to handle one bag of mail, and costs ranging from as high as $3 per bag would not be uncommon, the Carriers assert (Tr. 8246-47; Carriers' Ex. 23, p. 49).

Discussion

The evidence in the instant matter does not sustain the Organizations' contention that the handling of United States Mail has entailed for the employees here concerned a substantial amount of additional hard work, or that conductors' duties in relation to this operation are such as to warrant additional compensation for this class of employees. The Carriers submitted evidence to the effect that there has been a notable decrease in the principal duties of the train baggagemen during the past twenty years or so because of the decreased volume of such commodities as ordinary baggage, milk and cream. Even if it were possible to prove that the volume of United States Mail handled by baggagemen had increased substantially, the reduction in the volume of other types of baggage handled would be a compensatory factor in the other direction.

There is merit in the Organizations' point of view that the Carriers' compensation for transporting United States Mail has been adjusted to mileage covered, whereas the 34 cents per basic day allowance to baggagemen has been a fixed sum that has remained constant for more than twenty years (since 1927). It is appropriate to observe in this connection that this 34-cent allowance has today relatively insignificant purchasing power compared with its real value when it was first granted. The diminution in the volume of baggage handled in this period has not been sufficient to make unreasonable some adjustment in the amount of the allowance to compensate somewhat for the factor of decreased real value.

Recommendation

That within the applicable rule the allowance to baggagemen for the handling of United States Mail be increased from thirty four cents (34¢) to forty-six cents (46¢) per day.

11, 12, 13. *Proposals Relating to Dining Car Stewards; Application of These Proposals to Certain Other Dining Car Employees; General Savings Clause.*

11. *Scope*

(A) The title "Dining Car Steward" shall be applied to all employees who are in charge of dining cars or each unit thereof in train service.

Dining Car

(B) The term "Dining Car" shall be applied to each car used for the purpose of serving or preparing and serving food and/or drink for sale and employing four or more persons for this purpose.

Basic Month and Overtime

(A) 205 hours or less within the calendar month shall constitute a basic month's work for all regularly assigned stewards.

(B) All time worked in excess of 205 hours shall be paid at one and one-half times the basic hourly rates.

Minimums

"Available for Call" Rule

(A) Regularly assigned stewards required to hold themselves available for call during layover periods shall be paid on the minute basis for actual time with a minimum of four hours.

Reporting Rule.

(B) 1. Stewards required to report for station service not continuous with road service and who do so report will be paid a minimum of eight hours' pay for such service whether used or not.

2. Stewards required to report for station service continuous with road service will be paid for stocking, stripping, and checking over cars or similar work on a minute basis with a minimum of four hours' pay, but time worked enroute immediately following departure of the train and time paid for because sleeping accommodations are not available shall be included in computing minimum payments.

Turnaround Assignment Rule.

(C) In turnaround assignments, time shall be computed as continuous from time required to report for duty at the initial terminal until released at the initial terminal, but in no case shall a minimum allowance of less than eight hours be paid.

Straightaway Assignment Rule.

(D) In straightaway assignments, the minimum allowance shall be eight hours.

Away-from-Home Terminal Rule

(E) Away-from-home-terminal time will commence at time of release at away-from-home terminal layover point. If not used for any service within sixteen hours, away-from-home terminal allowance will start at expiration of 16 hours and continue for eight hours. Succeeding 24-hour periods will be calculated correspondingly. When used for any service during a 24-hour away-from-home-terminal layover period, the compensation rules of the agreement shall apply, but stewards will be guaranteed a minimum allowance of 8 hours for each 24-hour-away-from-home terminal layover period.

Set-Out Point Rule

(F) Set-out layover time will commence at time of release at set-out point. If not used for any service within 8 hours, set-out point allowance will start at expiration of 8 hours and continue for 16 hours. Succeeding 24-hour periods will be calculated correspondingly. When used for any service during a 24-hour set-out layover period, the compensation rules of the agreement shall apply, but stewards will be guaranteed a minimum allowance of 16 hours for each 24-hour set-out layover period.

Interline Service Rule

(A) All interline agreements covering regularly assigned dining-car operations shall protect the proportionate service rights of the stewards under this schedule on the basis of the proportionate mileage operations of the railroads employing stewards and party to such interline dining-car service agreement.

(B) All interline agreements covering special dining-car operations shall protect the proportionate service rights of the extra stewards under this schedule on the basis of the proportionate mileage operations of the railroads employing stewards and party to such interline dining-car service agreement to the extent that such extra stewards and necessary equipment are available.

(C) Existing interline dining-car service agreements if in conflict shall be revised to correspond with paragraphs (A) and (B).

"Details of Assignments" Rule

Details of all regular assignments such as hours, length of layover periods at home terminal and all other points shall be shown in bulletins at the time assignments are posted for bid. Copies of each such bulletin shall be promptly furnished the local chairman.

Extra Stewards' Runaround Rule

All extra stewards shall be run first in, first out, at all times. Extra steward first out, and not used in his turn, shall be considered as having been run around and shall be paid a minimum allowance of eight (8) hours, and shall stand first out.

Hotel and Travel Accommodations Rule

(A) Stewards at away-from-home points shall be provided with either an individual and sanitary hotel room or, where such accommodations are not furnished, continuous time will be paid.

(B) Sleeping accommodations in lower Pullman berth, its equivalent or better, shall be furnished to stewards when traveling during rest periods; and where such accommodations are not furnished, continuous time will be paid.

(C) Diners dead-heading with stewards-in-charge must be placed in trains so as to make toilet facilities available.

12. *Proposal Applying Provisions of Item Eleven to Cooks*

Items *eleven* (11) will apply to dining car employees other than stewards represented by the Order of Railway Conductors.

13. *General Savings Clause*

Existing rules, considered more favorable by committees of each individual road, are preserved.

Organizations' Position. In the presentation of their case in behalf of dining car service employees, in this instance stewards

and cooks, the Organizations call attention to the fact that there are some 1,500 dining stewards in the railroad industry, of whom more than 1,400 are represented by the Brotherhood of Railroad Trainmen, the Order of Railway Conductors holding agreements for some 250 dining car cooks on three roads and on one major railroad an agreement covering stewards (Tr. 74).

The Organizations describe conditions of employment for dining car employees as "archaic," precluding normal family life and other relationships desired by ordinary human beings. The contributory factors in this dislocation of human relationships are, according to the Organizations, the "captive hours" (hours off the payroll) and the employees' scheduled hours of work. "Captive hours," the Organizations assert, are spent on moving trains, in cars on sidings, at away-from-home terminals, and in "held on duty" at home terminals (Tr. 75). Stewards, according to the Organizations, are scheduled for and paid for slightly more than 225 hours per month, but they are also scheduled for, but not compensated for, almost 150 additional hours "subject to call away from home." This means, say the Organizations, that almost 375 hours per month (over one-half of all hours in a month) are spent in service of the Carriers, a condition sharply contrasted with a 40-hour workweek for the average American workman (approximately 185 hours per month), including luncheon break. This normal workweek for the average American worker is less than one-half of the steward's tour of duty, the Organizations state (Tr. 75).

Broken down into their detailed effects, these abnormally long work months mean unusually long hours of exacting duty, the Organizations say. In this connection it is pointed out that about 15 percent of these employees work 16 hours or more per day, approximately 45 percent work 12 hours or longer daily, and over 70 percent have a work day exceeding a standard 8-hour day. These figures, it is stated, relate to working hours which are paid for, and exclude the "captive hours" which are not paid for but are virtually useless to a steward in terms of normal living (Tr. 76).

Adjustments have been made for some stewards, the Organizations indicate, coincident with the granting of the 205-hour work-month for cooks and waiters involved in the nonoperating employees' 40-hour workweek movement. This change demonstrates that rescheduling is not an obstacle to reduction of work hours for stewards, where there is a desire and a determination to make the necessary adjustments, say the Organizations. But the fact is that stewards' agreements remain unchanged, with a straight-time work-month of 225 hours, for which the basic monthly rate is paid, but permitting the Carrier to work the steward an additional

15 hours per month to a total of 240 at a cost of pro rata only, with no obligation whatever to pay premium overtime compensation. Time and one-half is paid only after 240 hours in any one month, the Organizations point out (Tr. 76-77).

Although the American standard for a workweek is 40 hours, which in terms of a month is less than 174 work hours, stewards are here asking for a reduction from 225 to 205 hours, which conforms the request realistically to the 205-hour straight-time basic month recommended for waiters and cooks by Emergency Board 66 in 1948, the Organizations state. The Organizations point out that the effect of the adoption of the 205-hour month would be to reduce the time on duty and the "captive hours" of stewards from approximately 375 hours per month to about 340 hours per month, a combination of 25 fewer paid hours and 10 fewer unpaid hours (Tr. 77-78).

The effect of this improvement, which the Organizations characterize as a "modest one," will not be realized, they assert, unless the proviso permitting the payment of pro rata rates up to 240 hours per month is replaced by a rule requiring the payment of time and one-half for hours above 205 hours in a month. A sufficient supply of extra stewards is available to make this adjustment possible, the Organizations declare, but the carriers fail to relieve regular stewards because continued employment of these employees is no more expensive than the employment of extras (Tr. 77-78). Some carriers, say the Organizations, are more considerate of their employees than are others, but under the proposed rule all would be effectively influenced by punitive rates for overtime hours. The result would give the extra-list workmen greater employment opportunities because employers will find it expedient to hire them rather than pay punitive rates; the use of relief men will avoid punitive overtime, hence will not cost the carriers anything. This is why a punitive rates provision is essential to the implementation of the ends sought here, the Organizations state; without the time and a half rule, applying immediately upon the fulfillment of the work hours in the basic month, a 205-hour standard workmonth will remain a "paper rule" (Tr. 78-79).

Fundamental to the realization of the objectives sought in behalf of stewards represented before this Board, the Organizations urge, is the request for a scope rule, which applies the title "Dining Car Steward" to all employees who are in charge of dining cars, or each unit thereof, in train service, and the term "Dining Car" to each car used for the purpose of preparing or serving food and/or drink for sale and employing four or more persons for this purpose. Without a clear definition of the employes to whom the

rule is applicable, violation is inevitable, the Organizations insist. Moreover, say the Organizations, virtually all other railroad crafts enjoy scope rule protection (Tr. 79).

The Organizations contend that in asking that a dining car steward be employed whenever the food service car is staffed by four or more employees they are merely requesting a condition that is reasonable, fair and sound. Without such a numerical demarcation, the Organizations assert, the employer may at any time he desires undercut the standards of the stewards' agreements by the substitution of lesser-paid employees, thus making meaningless all seniority and job rights (Tr. 79, 7948-55).

The Organizations say that shorter hours for dining car stewards are long overdue, that a 205-hour month is a slight step in the direction of progress, and that the cost factor should not preclude that progress. Precedent weighs heavily in favor of the instant requests since time and one-half is a universal practice in American industry, and fully 85 percent of all operating employees (all yard and road freight service employees) have long enjoyed the protection of the penalty rate, the Organizations state. Even if the difficulty of scheduling assignments under the proposed rule were real, which it is not, this is not a valid reason for the maintenance of a service month for stewards 180 percent as long as that required of other American workers, the Organizations claim (Employees' Ex. 42, pp. 8-9).

The final group of requests in behalf of dining car employees is a series of what the Organizations characterize as "protective measures," which are designed to secure an equitable division of interline service, to obtain details of assignments constituting the minimum essential information for intelligible bidding, equitably to divide available extra work, and decently to accommodate stewards and cooks in hotels and while released for rest while en route. Several of these protective rules involve no cost to the Carriers, and the others are necessary in the interest of health and decency, the Organizations insist (Tr. 80-81).

Proposal No. 12 seeks to apply the provisions of Proposal 11 (eleven) to dining car employees other than stewards represented by the Order of Railway Conductors, while Proposal No. 13 is merely the usual savings clause which aims to safeguard existing rules considered more favorable by the committees of each individual railroad.

Carriers' Position. The Carriers state that there are approximately 1500 stewards directly involved here, and that these are a part of a much larger group of some 16,500 employees that function in the dining car service on the Class I railroads. The

rules governing the hours and working conditions of the dining car stewards have always been substantially the same as those applying to the larger group of employees consisting of stewards, cooks and waiters, the Carriers state (Tr. 8304; Carriers' Ex. 33, pp. 25, 54). Stewards, cooks and waiters work together as a crew or unit, consequently it would not be possible effectively to manage or conduct the service if different rules applied to the two different classes of employees that make up a dining car crew, the Carriers further state (Tr. 8304; Carriers' Ex. 34, p. 117).

The Carriers are careful to point out that the present basic month of 225 hours for dining car stewards is the result of a voluntary settlement entered into between these same Organizations and the Carriers here represented, and made effective March 1, 1948. This, the Carriers state, represented a reduction of 15 hours from a basic month of 240 hours previously in effect (Carriers' Ex. 33, p. 6). Actually, the Carriers say, the hours of assigned work, are, on the average, considerably less than here indicated.

In consideration of the wage aspects of the instant proposal, the Carriers call attention to a number of facts which they deem relevant. The Carriers point out, first, that the dining car stewards were granted a third round increase of 10 cents per hour effective October 16, 1948, and that increase was applied on the basis of their previous basic month of 240 hours (notwithstanding their basic month had been reduced to 225 hours on March 1, 1948). Under this adjustment, say the Carriers, the monthly salaries of stewards were increased by $24.00 (10c x 240). The net result of the recommendation of Emergency Board 66 was, say the Carriers, that whereas the third round wage increase advanced the basic monthly rates of dining car stewards by $24.00, it has, since September 1, 1949, increased the basic monthly rates of the cooks and waiters by only $14.35 (7c x 205) or $9.65 per month less than that enjoyed by the dining car stewards (Carriers' Ex. 33, p. 7). The Carriers contend that if this Board should conclude that the dining car stewards should be given a basic month of 205 hours to remove the inequity which the Organizations allege to result from the cooks' and waiters' basic month having been reduced to 205 hours, then by the same reasoning the basic monthly salaries of the dining car stewards should be reduced by the aforementioned $9.65. If such an adjustment were made, the Carriers state, the dining car cooks and waiters would undoubtedly insist upon an increase of $9.65 in basic monthly salaries in order to restore their former relationship with the dining car stewards (Carriers' Ex. 33, p. 8).

The Carriers further state that the request in behalf of the stewards for a reduction in their basic work-month would increase their average straight-time hourly rate from $1.49 to $1.64, an increase of 15 cents an hour which would produce a margin of 47.3 cents in excess of the average rate for cooks and waiters, or 16 cents greater than the 1921-47 average of 31.3 cents. This margin of 47.3 cents, say the Carriers, would be 11.9 cents higher than the difference of 35.4 cents in 1942, which was the greatest of any year during the 1921-47 period. Such a difference, it is asserted, cannot be justified on the basis of the history of the relative wage levels which have long prevailed between the stewards and the employees whose work they supervise (Carriers' Ex. 33, p. 8). The Carriers insist that the stewards' hours of work are not excessive and that they have no case for shorter hours or higher wages, in spite of the fact that they have a higher basic work-month than exists for cooks and waiters. But, contend the Carriers, if it be assumed that this difference in their basic work-month is in and of itself an inequity that should be eliminated by establishing a basic work-month of 205 hours for stewards, then the basic rates should be reduced $9.65 per month or 4.7 cents an hour on 205 hours, and the provision for punitive overtime after 240 hours should be retained. Only in this way, say the Carriers, can all the inequities between the hours and wages of the stewards, on the one hand, and the cooks and waiters, on the other, be eliminated and a properly balanced relationship between the two groups be established (Carriers' Ex. 33, p. 9).

The Carriers insist that an adequate margin of nonpunitive overtime is essential to practical operation of dining car service. It is unrealistic to assume, they contend, as the Organizations have done in formulating the instant proposal, that work assignments for dining car employees can be arranged so that all will have substantially the same number of hours of work in a month. It is equally unrealistic, urge the Carriers, to assume that any considerable number of assignments can be set up to conform approximately to any fixed number of hours constituting a basic work-month. The problem here, say the Carriers, is essentially and necessarily one of scheduling assignments so as to produce an average as near as possible to the basic work-month (Carriers' Ex. 33, pp. 9-10).

Punitive overtime, the Carriers contend, should not accrue before 240 hours of service in a month. In support of this contention the Carriers point out that there is no practical way to arrange dining car employee assignments so as to conform closely to any fixed number of hours constituting a basic month; they necessarily vary according to the time required to make a round

trip and according to the number of days in the month. The result is, it is urged, that the Carriers pay both punitive overtime and constructive time under present rules. Adoption of the proposed rule, say the Carriers would thus force unjustifiable penalty payments into the vast majority of assignments and unjustifiable constructive time payments into others (Carriers' Ex. 33, p. 23).

The Carriers insist that the minimum guarantees requested for stewards are merely devices for increasing the compensation of this class of employees. Regularly assigned stewards, say the Carriers, are already guaranteed the monthly rates provided in their pay schedules. The adoption of the basic day and tour of duty guarantee would provide additional pay for time not worked and discriminate against the 15,000 cooks and waiters who work with the 1500 stewards represented here, say the Carriers (Tr. 8307; Carriers Ex. 33, pp. 36-37, 55).

The proposed call rules are ambiguous and provide excessive compensation for time not worked, and if recommended would discriminate against cooks and waiters, the Carriers assert. The same thing is true of the proposal providing pay for time held away from home points, and the proposed runaround rule, the Carriers state (Tr. 8307; Carriers' Ex. 33, pp. 83-84, 113, 137). The fact is, say the Carriers, the matters involved in these proposals are adequately covered by local agreements drafted to meet local conditions and the requirements of the service on each individual railroad. Consequently, the only purpose of these demands is to increase the pay of stewards for time not worked and to secure advantage over the organization representing cooks and waiters, the Carriers declare (Carriers' Ex. 33, pp. 113, 142, 145; Tr. 8307-08).

The Carriers insist that the proposed scope rule is nothing more than an attempt to displace waiters-in-charge from jobs to which they are rightfully entitled under established rules, rights which are as well-established as any of the rights of stewards to work on dining cars. Since all parties vitally concerned with the instant proposal are not before this Board, a favorable recommendation must of necessity, say the Carriers, have adverse effects (Tr. 8308; Carriers' Ex. 34, pp. 17, 22). A serious problem of jurisdiction is thus involved in the instant request, say the Carriers.

With regard to the demands for free hotel rooms and berths, the Carriers point out that they already furnish dining car employees free lodging accommodations that are entirely adequate, both at away from home terminals and en route (Tr. 8309; Carriers' Ex. 34, p. 100).

The proposal in regard to interline service is merely an attempt to force the railroads to create more work, say the Carriers;

more deadheading and more pay for time not worked would be required. No dining car steward has been deprived of a job because of interline service, say the Carriers. Moreover, it is urged, such a rule as here proposed by the Organizations would conflict with existing seniority rights of the employees now assigned and with agreements that have been entered into between the Carriers in the interests of efficient and economical operation of the service (Carriers' Ex. 34, pp. 107, 115-117; Tr. 8310). Here again, the Carriers declare, the problem of jurisdictional conflict must be recognized.

Discussion

The most important of these concerns the hours in a basic month which under present contracts is placed at 225 hours.

The employees supervised by the stewards received a recommendation from the 1948 Emergency Board which reduced their basic hours of service to 205 hours per month. It seems clear to us that the hours of service for stewards should be reduced from 225 hours per month to 205 hours per month. However, if the hours of service are so reduced the rates of pay of these stewards should be adjusted so that no new inequity will be created between the stewards and those under their supervision. In 1948 by voluntary agreement the stewards received a reduction of 15 hours in their basic month and additional compensation of 10 cents per hour based upon 240 hours of service. The cooks and waiters received a reduction to 205 hours but an increase of only 7 cents per hour on 205 hours. Therefore, the reduction of hours in the basic month from 225 to 205 hours should be accompanied by a reduction of $9.65 in the basic monthly salary. In the matter of penalties for hours beyond 205, the stewards, cooks and waiters must be placed on an equal footing. While overtime must commence at 205 hours, penalty pay of time and one-half should not begin until 240 hours have been worked.

It is the opinion of this Board that the Carriers have a fundamental interest in the matter of scheduling hours of service and that the interest of the parties, and of the public, will be best served by allowing up to 240 hours before penalty overtime begins.

A request for definitions for "dining car" and for the "scope" of the working agreements are matters that should be solved on each property. There is no doubt that any rule that might be suggested would interfere with seniority of persons not before this Board. Definitions of this sort are always dangerous, but more so when practice and custom have permitted many varying conditions to develop on the various properties that affect the rights of these employees and others who must also earn a living. Rigidly formu-

lated scope rules in the dining car service are likely to cause serious practical problems and inconveniences on individual properties; the inflexibility of such rules make it difficult for the Carriers to meet effectively operating conditions peculiar to individual properties.

No persuasive reasons were advanced for changes in rules on calls, run-arounds and preparatory service. Nor were any substantial reasons shown for changes in the treatment of these employees when "set out" or at their away-from-home terminals. No evidence was produced that would warrant a change in turnaround service.

Changes requested in the various rules are not shown to be either necessary or desirable. Only those acquainted with the problems which have arisen under existing rules are in a position to suggest changes to effectuate a remedy. We have not been favored with evidence that would place us in a position to make recommendations for the betterment of working relations and conditions.

Recommendation

That the basic hours of stewards be reduced from 225 hours to 205 hours. It is also recommended that penalty overtime shall not accrue until 240 hours have been worked and that hours between 205 and 240 be paid for at the pro rata rate. It is further recommended that the monthly salary to be paid for the 205-hour month shall be $9.65 less than the salary now received for the 225-hour month. Recommendation to be effective October 1, 1950.

B. Carriers' Proposals*

1. *Forty-Hour Workweek—Yard Service Employees.*

Carriers propose that if a 5-day 40-hour workweek is recommended for yard service employees, existing rules, regulations, agreements and practices shall be modified in the manner and to the extent set forth in the proposed agreements attached to Exhibit A as Appendices A and B. Appendix A covers all classes or crafts of yard service employees, other than yardmasters and stationmasters; Appendix B covers yardmasters and stationmasters.

Carriers' Position. The Carriers explain that the Board need be concerned with the instant proposal only if a scheduled 40-hour workweek should be recommended for yard service employees; in that event, it is stated, consideration of what changes should be made in existing rules to effectuate the new workweek becomes a matter of primary importance. The rules proposed by the Carriers to implement a scheduled 40-hour workweek, if recommended, are too complex to be included here; they appear

* The numbering indicated in listing the Carriers' proposals is irregular to correspond with the official numbers employed, and does not include the issues or proposals withdrawn by the Carriers.

in Carriers' Ex. A, Appendix A and in Employees' Ex. 38, and are fully discussed in Carriers' "Brief on Proposed Rules Changes If 5-Day 40-Hour Work Week is Established for Yard Service Employees."

The Carriers point out that the proposed rules changes are intended to enable the establishment of a reduced workweek in such a manner that there will be a minimum of interference with efficient and economical operation of the railroads and with the present working conditions of the employees. It is further stated that, since the Organizations and the Carriers are in accord on many of the proposed rules changes, there is need only to consider those provisions which are in dispute. These are listed in Carriers' *Brief* referred to above, and are discussed there and in the Record at pages 5109-5265. The more important differences, according to the Carriers, involved the following:

1. Sections numbered 3 of both the Carriers' and the Organizations' proposals, which have to do with the matter of protecting the service on days off of regularly assigned employees.
2. Section 8 of the Carriers' proposals and Section 9 of Organizations' proposals relating to the payment of overtime to extra employees.
3. Section 9 of the Carriers' rules which contains their proposal for the revision of the yard starting time rule.

The Carriers' position on these several differences is set forth in detail in the cited *Brief*, and in Carriers' statement of their case through special witnesses and Counsel. The position is summarized here.

1. The Carriers contend that the issue presented by Sections numbered 3 of the respective proposals arises because the Organizations propose to impose restrictions and limitations upon the Carriers when scheduling work on the 6th and 7th days, or the relief days, of regularly assigned yard crews.

The Carriers propose to have work on the 6th and 7th days (or relief days) performed by regularly assigned relief crews, or by extra or unassigned employees, or by both, as may best serve the purposes of efficient and economical operations, while the Organizations seek to force the Carriers to have such work performed by regularly assigned relief crews, the Carriers assert (Tr. 8120; Employees' Ex. 38, pp. 4-8). The Carriers declare that there is no question as to what motivates the Organizations in taking this position: it is that, if the Carriers are forced to establish regular 5-day relief assignments to perform relief work, more men will be required to get the job done, more gift pay will be exacted of the Carriers, and more time will be paid for that time which is not worked (Tr. 8120, 5122-27, 5146). In this matter, the Organizations are opposing any rule change that

would cushion the shock of the 40-hour workweek to the Carriers, in that such a change would avoid the employment of unnecessary men, the Carriers state. It is added that the Organizations' purpose here is in accord with the real purpose of the shorter workweek demand, namely, to increase jobs and gift pay (Tr. 8120-1, 5150).

2. The Carriers state that the second major difference between the parties involves overtime for extra yardmen (section 8 of the Carriers' proposals and section 9 of the Organizations' proposals).

The overtime proposals of the parties are not directly related to the matter of establishing a scheduled 40-hour workweek, nor does the dispute involving this rule arise because of the 40-hour workweek demand, the Carriers state. The fact is, the Carriers assert, that in December, 1947, the Trainmen and the Carriers entered into an agreement establishing a new overtime rule in yard service. In August of the following year (1948), the Carriers say, as a result of the recommendation of an emergency board, a slightly different overtime rule was agreed upon in negotiations between the Carriers and the Engineers, Firemen's and Switchmen's Organizations (Tr. 8122, Carriers' Ex. B, pp. 485, 547-49, 611). The Carriers state that they have given the trainmen the choice of retaining the rule that was agreed upon in December, 1947, or the rule appearing in the agreement made with the other organizations, but that the trainmen will take neither rule. What the trainmen seek here is an advantage which it may use to the disadvantage of other organizations in the jurisdictional rivalry that exists between these labor unions, the Carriers say (Tr. 8122-23; 5164-5). Thus, say the Carriers, by eliminating an alleged inequity a new and more serious one would be created.

3. The third major difference between the parties relating to these socalled 40-hour workweek rules involves Carriers' proposed section 9 which deals with the starting time rule, the Carriers say.

The Carriers point out in this connection that the matter of starting time for yard crews, unlike the overtime issue, is directly and immediately related to the problem of establishing a scheduled 40-hour workweek in yard service. The Carriers explain in many yards it would be extremely costly to schedule assignments on a 5-day basis without some change in the starting time rule (Tr. 8124, 3954-57, 5172-73). The existing starting time rule would also interfere with the efficiency of operations and necessitate the payment of considerable punitive overtime and pay

for time not worked under a scheduled 40-hour week, the Carriers point out (Tr. 8124, 5229-46; Carriers' Ex. 11, pp. 5-12).

In the judgment of the Carriers, the Organizations' real objection to the proposed changes in the starting time rule springs from the fact that such changes would in some yards enable the Carriers to avoid the employment of unnecessary men and payments for idle time. The Carriers frankly state that the proposed changes would help cushion for the Carriers the shock of a scheduled 40-hour workweek. The fact is, say the Carriers, that even the Organizations have recognized that the starting time rule is inequitable in its operation in many situations. In 1947, the Carriers state, these Organizations first agreed to negotiate further with respect to the Carriers' proposal to reform the starting time rule, and on December 12, 1947, agreed that "Exceptions to starting time rules may be agreed upon by the Management and General Committees to cover local service requirements" (Tr. 8125-6; Carriers' Ex. B, pp. 438-39, 488).

Emergency Board 57 also recognized the merit of revising the starting time rule, the Carriers indicate. That Board, in its report of March 7, 1948, recommended that: "The parties should negotiate and agree upon a rule which would permit the starting time of extra crews and those which do not work in continuous service on schedule required to meet operating necessities, but which rule would recognize the justification for reasonable regularity in such starting times and the necessity of settling this issue by collective bargaining rather than unilaterally" (Tr. 8126; Carriers' Ex. B, p. 569; Ex. 11, p. 13). But, say the Carriers, these Organizations have refused to bargain in good faith for necessary changes in the starting time rule as contemplated in the December, 1947 agreement and in the Emergency Board's report (Tr. 8126; Carriers' Ex. 11, pp. 14-15). Consequently, say the Carriers, relief from the needlessly burdensome provisions of the rule must come through a definite recommendation to be applied on a national basis; the need for revision has been established, and there remains merely the mechanics of securing the necessary relief (Tr. 8127; Carriers' Ex. 11, p. 15).

Organizations' Position. In setting forth their position on the instant matter the Organizations concede that the parties are not too far apart on the principal issues involved in rules changes necessary to implement the 40-hour workweek (Tr. 7390).

Central to the Organizations' position in the instant matter appears to be their concern that employment opportunities shall be spread as widely as possible. It is their position that the

Carriers need and should not work men beyond 5 days a week if other employees are available to work at straight time. Even if there are existing guarantees those guarantees would not provide for more than 5 days of service if other men are available at straight time, the Organizations state.

The Organizations contend that the phrase "except as otherwise provided" and the note following the proposed rule in Section 5 are unnecessary and might cause serious difficulty for the Organizations. The 40-hour workweek rules are intended to apply only to hourly paid workers, namely, yard service employees. The note insisted upon by the Carriers, say the Organizations, would provide excuses for both management and committees in the smaller isolated yards to circumvent the intent and purposes of a 40-hour workweek, for the reason that both road and yard service employees, with the aid of management and local committees, could enter into arrangements allowing men in both classes of service to pick up extra days or time at the expense of their fellow employees (Tr. 7391-92). The general chairmen on properties having interchangeable yard and road rights, and representing approximately 85 percent of this type of employees, have given assurance, the Organizations state, that the extra boards could be separated, thus providing a solution of any difficulties involved (Tr. 7392). Mixing the yard and road service nullifies the 40-hour workweek, the Organizations say, because the senior men "will just hog all the work and make all the money and make the 40-hour week ineffective" (Tr. 7395).

The Organizations take a definitive position with regard to Employees' Section 9 and Carriers' Section 8 of their respective proposals for rules changes to implement the 40-hour workweek, which relate to the payment of overtime. It is the position of the Organizations that extra men changing to regular assignments or regular men reverting to the extra board should be paid time and one-half for any second tour of duty within a 24-hour period, for the reason that in almost all cases such changes are not voluntarily made by the employees themselves, but usually occur as a result of management reducing yard crews or rearranging yard crews, thereby necessitating the exercise of seniority. However, say the Organizations, in the final analysis this rule would not stand in the way of an agreement between the parties (Tr. 7400).

The Organizations state that they have eliminated Carriers' paragraph (c), at page 15 of Employees' Ex. 38, for the reason that the employees agree with the recommendation of Emergency Board 33, that is, that extra men should be entitled to the same overtime privileges as regular men (Tr. 7400-01).

Exception is taken by the Organizations to the latter part of Section 12(b) of Carriers' proposed rules, which provides that if there is no extra man available who could be used to perform the work on specified days, an employee may be used to work those days at straight-time rates. Under this language, say the Organizations, yardmen on both types of boards, that is, bulletin boards and strict seniority boards, could manipulate the board by bidding onto other assignments, or exercising strict seniority, thereby enabling them to work the sixth day at straight time rates, thus defeating the purpose of the 40-hour workweek (Tr. 7406). In this connection, the Organizations state, management has always had the right to increase extra boards, without objection from the committees of the Organizations, to the extent that extra men make a reasonable living. The possibility of extra men doubling at time and one-half rates, which is feared by the Carriers, would arise only in isolated instances, the Organizations contend.

Because the Organizations do not question the right of management to increase extra boards as specified, the Organizations regard as unncessary Carriers' Section 12(d), which permits employees, regular and extra, to work more than five straight time eight-hour shifts in yard service under specified conditions (Employees' Ex. 38, p. 28). Inclusion of a rule such as this, the Organizations say, would cause employees' committees endless trouble, because experience shows that many local officials would construe the language of the rule as giving them complete freedom to flood yard extra boards, which, in addition to causing untold local difficulties, would also deprive the senior extra men of earnings to which their seniority entitled them (Tr. 7407-08). The thing to be feared here is, according to the Organizations, the likelihood that the employment opportunities would not be spread equitably.

With respect to Carriers' Section 13(b), which states that the agreement does not apply to Yardmasters, the Organizations remind the Board that they regard yardmasters on the 72 railroads for whom the ORC and BRT hold contracts as operating employees, hence it is necessary that their seniority be protected here, receiving the same benefits as their fellow workers—the yard conductors (foremen) and yard brakemen (helpers). If the 40-hour workweek is adopted, say the Organizations, appropriate rules can be worked out applying to yardmasters (Tr. 7413-14).

In support of their contention that workable and mutually agreeable rules to implement the 40-hour workweek can be developed, the Organizations submitted Employees' Exhibits 59

and 60, which contain agreements between the D.L.&W. and S.U.N.A. and a Memorandum of Agreement between the Bush Terminal Railroad Company and the Brotherhood of Railroad Trainmen, dated March 20, 1950, and April 25, 1950, respectively.

4. *Allowance in Lieu of Claims for Time and One-Half Pay, etc.*

Eliminate the five cents (5c) per hour now included in the basic rates of pay, which was granted under the agreement of December 27, 1943—"in lieu of claims for time and half pay for time over 40 hours and for expenses while away from home."

Carriers' Position. It is the Carriers' position that, if the 40-hour workweek is granted these employees, the 5 cents (5c) granted in 1943 in lieu of time and one-half pay for work in excess of 40 hours should be credited against any new increase, rather than retained and pyramided by 20 percent. The Carriers state that the Organizations, in support of their argument that the principle of the 40-hour week for the railroad industry was recognized as early as 1943, lay considerable stress on the fact that in December, 1943, the President awarded to these employees an increase of 5 cents (5c) per hour "as the equivalent of or in lieu of claims for time and half pay for time over 40 hours." Certainly, the Carriers insist, that 5 cents was never intended to be retained and actually increased by 20 percent if a 40-hour workweek later became effective (Carriers' Ex. 10, pp. 9-10).

The Carriers further point out in regard to this matter that the President of the United States stated, without equivocation, that the 5 cents was in lieu of time and half pay after 40 hours, and even a witness for the Organizations in this case said as recently as February, 1948, in the Engineers, Firemen and Switchmen's Rules and Wage Case, that the 5 cents should be segregated and kept apart from the straight-time wage, because it was granted to the employees in lieu of overtime (Carriers' Ex. 10, p. 9).

In further support of their instant proposal, the Carriers state that Emergency Board 33, in its report of April 18, 1946, in the dispute arising out of the 1946 wage demands of the operating organizations, refused to consider the 5 cents as part of the wage increases granted to the employees since January, 1941, when calculating the further amount to which they were entitled under the 33 percent cost-of-living formula established by the Stabilization Director in December, 1945. In that proceeding, the Carriers point out, the Board recommended a wage increase of 16 cents per hour for the railroad operating employees. This was unacceptable to them, and through the use of their economic strength, they were able to obtain 2½ cents additional, or a total increase of 18½ cents per hour. Nevertheless, say the Carriers, the important

point is the manner in which the Board recognized the special nature of the 5 cents referred to above (Carriers' Ex. 10, p. 9).

The yardmen in the instant case want it both ways, the Carriers assert: excluded when the 5 cents influences the amount of wage increase to be granted; and included when they shift to a 40-hour workweek. Under the Organizations' proposal for a 40-hour workweek at 48 hours of pay, the 5 cents would be increased to 6 cents, the Carriers remind us (Carriers' Ex. 10, p. 9).

The Carriers conclude, therefore, that since the 5 cents was granted in lieu of time and half pay for time after 40 hours, and under their 40-hour workweek proposal the employees would be paid time and one-half for work performed in excess of 40 hours, the 5 cents should be credited against any amount which the employees would otherwise claim by reason of the reduction of the workweek (Carriers' Ex. 10, p. 9).

Organizations' Position. With regard to the 5 cents per hour awarded by the President of the United States in December, 1943, in lieu of overtime after 40 hours and also in lieu of expenses away from home, which is the subject-matter of the instant proposal, the Organizations submit a brief, but direct, opinion. The Organizations remind the Board that Emergency Board 66, which dealt with the 40-hour workweek for nonoperating employees, disposed of the Carriers' instant contention in a footnote to Table 32 of its report, where the Board said of a similar adjustment averaging 2.4 cents per hour also awarded by President Roosevelt to nonoperating employees in lieu of overtime after 40 hours. The Organizations present the following quotation (Tr. 8339) in substantiation of this contention:

> "In 1943 an additional increase of 2.4 cents was given, supposedly, in lieu of overtime over 40 hours. In fact, this amount has been incorporated into the basic rates and is regarded by the carriers and the employees as though it were a straight wage increase, neither side being under the illusion that it was a substitute for the 40-hour week."

It is further stated by the Organizations (Tr. 8339) that the same Board also found, on page 13, that in January, 1944, by virtue of that very award President Roosevelt and the agreements consequent thereon, that:

> "The principle of the 40-hour workweek has already been adopted by the railroad industry, although its practical effectiveness has been postponed."

The Organizations, therefore, unalterably oppose the Carriers' instant proposal that the 5 cents awarded by President Roosevelt in 1943 in lieu of premium pay for overtime and for expenses away from home be eliminated.

In support of their position in the instant matter, the Organizations cite a letter addressed to Mr. Alvanly Johnston* and Mr. A. F. Whitney,* Labor Consultants to the War Department, Pentagon Building, Washington, D. C., dated January 4, 1944, and signed by Mr. H. A. Enochs, Chairman of the Eastern Carriers' Conference Committee, Mr. D. P. Loomis, Chairman of the Western Carriers' Conference Committee, and Mr. J. B. Parish, Chairman of the Southeastern Carriers' Conference Committee. This letter concerned an agreement signed on December 28, 1943, between the Carriers' Conference Committees and the Brotherhood of Locomotive Engineers and Brotherhood of Railroad Trainmen, following the arbitration award of December 27, 1943, by President Roosevelt and involving the 5 cents in lieu of time and one-half for overtime and expenses away from home. In that letter the signatories stated:

> "Referring to your verbal inquiry with respect to the agreement as of December 27, 1943, between the Brotherhood of Locomotive Engineers, the Brotherhood of Railroad Trainmen, and the carriers represented by the Eastern, Western and Southeastern Carriers' Conference Committees, our interpretation of the agreement is that the additional five cents awarded by the President of the United States in his statement of December 27, 1943 is to be added effective as of December 27th to the basic rates in the same manner that the four cents awarded by the Stacy Emergency Board effective April 1st has been applied, as shown by Appendix A attached to the agreement.
>
> "In other words, in their application to the payroll the four cents and the five cents are combined, and nine cents instead of four cents will now be added to the basic rates following the method outlined in Appendix A. We understand that this interpretation is in accord with your understanding of the agreement."

The Organizations further point out that the 5 cents under consideration here was incorporated into the basic rate on the Delaware, Lackawanna, and Western Railroad, in accordance with the understanding mutually expressed by the representations of the Organizations and the Carriers (Tr. 5030-33).

5. *Time Held At Other Than Home Terminal.*

> Eliminate all rules, regulations, interpretations or practices, however established, which provide payment for time held at other than home terminal.

Carriers' Position. The instant proposal received no direct attention from the parties in the presentation of their positions in the present case, whatever evidence there is being intermingled principally with the discussion of the expenses away from home issue (Carriers' Ex. 28, pp. 4-37), and consisting of the history of held-away-from-home terminal rules.

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* Mr. Johnston is President of the Brotherhood of Locomotive Engineers, and Mr. Whitney was President of the Brotherhood of Railroad Trainmen.

Held-away-from-home terminal rules were first sought by employees and written into agreements between the employees and the carriers early in the 1900s, but it was not until 1912 that a concerted movement for such rules developed among the organizations representing railroad workers, the Carriers state. Such rules were recognized by the Council of National Defense following passage of the Adamson Eight-Hour Law in 1916, and upon the recommendation of the Board of Railroad Wages and Working Conditions, the Director General of Railroads on December 15, 1919, issued Supplement No. 25 to General Order No. 27 which included a held-away-from-home rule, the Carriers show. In all of these developments, the Carriers say, the representatives of the employees sought and obtained allowances to recompense the workers involved for money spent away from home for meals and room.

Following the termination of federal control of the railroads on February 28, 1920, there have been consistent efforts by these organizations to obtain wage increases under the guise of coverage for expenses away from home, despite the fact that held-away-from-home terminal rules already provide for necessary recompense, the Carriers state. These efforts to change the socalled standard held-away-from-home terminal rule have not been successful because the obvious purpose was to obtain additional wage increases, the Carriers assert (Carriers' Ex. 28, p. 37). The position of the Carriers appears to be that general wage movements have more than taken care of any expenses incurred by these employees at away-from-home terminals.

It should be noted, however, say the Carriers, that by 1948 all road service employee organizations had been successful in having the uniform held-away-from-home terminal rule changed so as to provide that any held away time after 16 hours would be paid for as an arbitrary and not coupled with any subsequent service. Apparently, state the Carriers, the employees realize that they have obtained the absolute maximum they can hope to receive in the way of compensation under the held-away-from-home terminal rule and in one of their proposals in the instant case seek to impose on the carriers an expenses-away-from-home rule (Carriers' Ex. 28, p. 47). The Carriers, on the contrary, are asking here that all rules, regulations, interpretations or practices, however established, which provide payment for time held at other than home terminal be eliminated. Apparently, the Carriers include in this proposal all payments for employees in unassigned service who have been successful in having an original held-away-from-home terminal rule, which provided for pay after periods ranging from

18 to 22 hours, with a proviso that some or all of the held time could be run off, so changed that it now provides pay after 16 hours with the runoff feature eliminated. This rule was adopted in part to compensate for expenses away from home, and the Carriers, seemingly in opposition to the instant request of the Organizations for an expense-away-from-home rule, would abolish its provisions (Carriers' Ex. 28, p. 53).

Held-away-from-home terminal rules now in effect, the Carriers state, are applicable to pool freight and unassigned service and cover time at the away-from-home terminal (Tr. 6472-3). Such rules should be eliminated rather than extended, the Carriers believe. The Carriers insist that the adoption of a schedule rule providing an allowance for expenses away from home as proposed by the Organizations in a proposal before this Board would in equity and fairness necessitate revision of the dual basis of pay; the abolishment of the held-away-from-home terminal rule; the abandonment of the many and expensive projects now supported with carriers' funds to provide meals and lodging for these employees at away-from-home terminals; and the elimination from basic rates of sums included in the basic rates for expenses away from home, as for example, the 1943 5 cents award in lieu of premium overtime pay and expenses away from home (Tr. 8286-87).

Organizations' Position. The Organizations present no counter-arguments to the Carriers' instant proposal, and make reference to the held-away-from-home terminal rules only incidentally in connection with their own proposal for expenses away from home. Their seemingly complete indifference to the specific proposal immediately before the Board in all probability stems from the fact that the Carriers themselves submitted no direct argument in behalf of the instant request and the further fact that this request obviously is linked with the employees' own proposal as a counter-measure.

6. *Basic Day in Passenger and Through Freight Service.*

All existing rules, regulations, interpretations or practices, however established, shall be changed to provide the following basis of pay in:

Through Passenger Service

(a) Change basic day from 150 miles to 200 miles, eight (8) hours and change rates per mile by dividing present daily rates by 200.

(b) Change basic day hours from 7½ to 8 and the computation of overtime from the present speed basis of 20 miles per hour to a speed basis of 25 miles per hour.

Through Freight Service

(a) Change basic day from 100 to 125 miles, eight (8) hours and change rates per mile by dividing present daily rates by 125.

(b) On runs of over 125 miles change computation of overtime for

hours on duty beyond eight from the present basis of 12½ miles per hour to a speed basis of 15⅝ miles per hour.

A. THROUGH PASSENGER SERVICE

Carriers' Position. In presenting their position on the instant proposal, the Carriers submit evidence separately on *Through Passenger Service* and *Through Freight Service,* consequently the distinctive treatment of each issue is retained here. It should be noted that the Carriers' proposal is intended to apply in straightaway and turnaround service only, hence the caption "through passenger service," and that the overtime rule in passenger service involved in this issue pertains only to fixing the point where overtime begins in straightaway and turnaround service (Carriers' Ex. 19, pp. 1-2). The present standard basic day rule applicable to passenger conductors and trainmen is as follows:

"One hundred and fifty (150) miles or less, either straightaway or turnaround, shall constitute a day's work; miles in excess of one hundred and fifty shall be paid for at the mileage rate provided.

"A passenger day begins at the time of reporting for duty for the initial trip. Daily rates obtain until miles made at the mileage rates exceed the daily minimum."

With certain exceptions contained in Appendix B to Carriers' Ex. 19, the present standard rule providing overtime payments to passenger conductors and trainmen, in other than short turnaround service, reads as follows:

"Overtime on other than short turnaround runs shall be paid on a speed basis of twenty miles per hour computed continuously from the time required to report for duty until released at the end of the last run. Overtime shall be computed on the basis of actual overtime worked or held for duty, except that when the minimum day is paid for the service performed, overtime shall not accrue until the expiration of seven hours and thirty minutes from the time first reporting for duty."

The Carriers' proposal would amend the provision of the overtime rule referred to above to provide that overtime shall not accrue until the expiration of 8 hours from the time of first reporting for duty (Carriers' Ex. 19, p. 1-3).

The Carriers are careful to explain that this proposal would not affect existing rules or rates of pay relating to short turnaround service, but in other than short turnaround service. The changes in the pay structure of conductors and trainmen contemplated by the Carriers may be summarized as follows:

(1) The maximum amount of work to which the carriers would be entitled from passenger conductors and trainmen for a basic day's pay would be increased by one-half hour, and 50 miles.

(2) These employees would receive payment for overmiles after a run of 200 miles rather than after 150 miles as at present.

(3) These employees would receive overtime for a basic day after the expiration of eight hours rather than seven and one-half hours.

(4) The mileage rate allowed passenger conductors and trainmen for overmiles would be decreased by 25 percent.

On runs of 150 miles or less involving 7½ hours or less of time on duty the total pay of these employees would not be affected (Carriers Ex. 19, pp, 5-6).

The Carriers state that their instant proposal is based upon the undisputed fact that higher speeds and improvements in operating methods and equipment in passenger service have made the basic day and overtime rule archaic and obsolete, and that these higher speeds have not increased the work, labor, skill or responsibilities required of passenger service employees but have, on the contrary, made their jobs easier, improved their working conditions and substantially reduced the number of hours of service required to earn a day's pay (Carriers' Ex. 2, p. 21, 28-32; Ex. 3, pp. 10-19; Ex. 5, p. 11; Ex. 19, pp. 36-51, 90-97).

Passenger train service employees are, according to the Carriers, piece-rate workers and, like employees in all industries, their piece-work rates should be adjusted along with the units of work upon which such rates are based, as in the course of time the factor of labor required to produce a unit of product changes. Passenger train service employees now work less than 4½ hours for a day's pay, the Carriers state, whereas in 1922 they worked nearly 6 hours for a day's pay. If 150 miles were the equivalent of a day's work of 6 hours in 1922, exactly 200 miles is the equivalent of a day's work of 6 hours in 1949, say the Carriers. The universal principle of piece-rate adjustment based on technical changes affecting conditions of production requires an adjustment in the unit of work in the passenger service, the Carriers insist (Tr. 8220; Carriers Ex. 19, p. 81).

The shorter workday just referred to, say the Carriers, has resulted from heavy capital investments of the railroads and the improvement of roadway, rolling stock and other equipment, which have been provided by the people who own the railroads, not by the employees here concerned. The standards of production per hour for wage purposes in the railway industry have not kept pace with and no longer accurately reflect the increasing rate of production made possible by these technological advances, the Carriers state. The net result is, they say, that employees have been enriched unjustly at the expense of others, a situation which should not be permitted to continue, especially in a public service industry. In other industries, say the Carriers, employees have continued to give a fair day's work for a fair day's pay, whereas under the mileage basis of pay on the railroads the trend has been toward giving less than a fair day's work for a fair day's pay (Carriers' Ex. 19, pp. 51-52).

The Carriers point out, finally, that based on a study made in August, 1949, of payments made to passenger conductors and trainmen, it was revealed that the actual payroll cost of passenger conductors and trainmen for one week day in that month amounted to $282,974. The cost to the Carriers under the instant proposal of a 200-mile basic day would have been $237,326, a decrease of $45,648 or 16.1 percent; and projected to cover the total passenger train service payroll for the twelve months ending September 30, 1949, would produce a saving to the Carriers of $19,114,700, it is stated (Carriers' Ex. 19, p. 57).

Organizations' Position. The Organizations state that the Carriers here, as elsewhere in their requests, represent the train service employees as a "favored group," and totally ignore the inequities within the road passenger service as between these employees and the engine service employees. The continuation, indeed the aggravation, of these inequities is proposed in the Carriers request, the Organizations say (Employees' Rebuttal Ex. 67, pp. 1-7).

The Organizations contend that the sober effect of the Carriers' 200-mile passenger basic day proposal would be to impale these road employees on a pitchfork with three prongs: the first tine would be an increase in miles from 150 to 200; the second, an increase in hours from seven and one-half (7½) to eight (8); the third, the net result of the interaction of the first two, an increase in the speed basis from 20 miles per hour to 25 miles per hour. The proposal obviously would either require more hours of work and miles run for the same money or would pay less money for the same hours of work and miles run, say the Organizations (Tr. 7980-81).

The Organizations point out that the Carriers themselves concede that: "Passenger conductors and trainmen are compensated on a dual basis. Primarily they are paid on a piece work basis. The piece work unit is one mile" (Carriers' Ex. 19, p. 3). It is the pay for this "piece work unit" which, by disguised method, the Carriers would slash, say the Organizations. In passenger service, say the Organizations, the Carriers' proposal to increase the basic day from 150 miles and 7½ hours to 200 miles and 8 hours, would cut the mileage rates 25 percent. This would mean that a passenger conductor in the West, presently under a mileage rate of 8.39 cents per mile, would find that rate reduced to only 6.29 cents per mile, the Organizations point out (Tr. 7982).

The instant proposal advanced by the Carriers would, according to the Organizations, accomplish the first reduction in basic rates of pay in the railroad industry since 1920, thus reversing 30 years

of slow but inevitable progress and taking a long step back to the pay rates prevailing in 1920 in road passenger service (Tr. 7983-84). Moreover, say the Organizations, the proposal would, in straightaway runs, not only widen the gap of inequities between passenger train and engine crews but would also reduce the number of incentive runs by 21.5 percent.

The Organizations contend that the Carriers, in claiming that capital investment has made possible the increased speed of trains, neglect the human factor entirely. In this connection, the Organizations point out that increased speed potential is not usable unless qualified employees can be found to operate these trains safely. The Carriers thus get the advantages of fuller and more efficient utilization of plant and equipment and the employees get more severe nervous strain as a result of operation of trains at higher speeds, assert the Organizations. It is a general principle, the Organizations insist, that the advantages of technological innovation should be shared with employees; American industry generally has shared gains in productivity with its employees through increases in real wages to appreciable extents greater than has the railroad industry (Employees' Rebuttal Ex. 67, pp. 30-31).

B. Through Freight Service

Carriers' Position. As a basis for clear comprehension of the instant proposal, the Carriers set forth present rules governing the subject-matter under consideration. The present standard basic day and overtime rule applicable to freight train service employees is as follows:

> "(a) In all road service, except passenger service, 100 miles or less, 8 hours or less (Straight-away or turn-around), shall constitute a day's work. Miles in excess of 100 will be paid for at the mileage rates provided.
>
> "(b) On runs of 100 miles or less, overtime will begin at the expiration of 8 hours; on runs of over 100 miles overtime will begin when the time on duty exceeds the miles run divided by 12½. Overtime shall be paid for on the minute basis, at a rate per hour of three-sixteenths of the daily rate."

Exceptions to the rule as stated here are said to be rare (Carriers' Ex. 24, p. 3).

The Carriers point out that the basic principles here involved are precisely the same as those controlling the merits of their proposal in regard to the passenger basic day and overtime proposal. The arguments in both instances are similar. Technological advance, the Carriers say, achieved at a cost of many billions of dollars, has resulted in higher average speeds of through freight and passenger trains, reduced the hours of work required to earn a basic day's pay in these classes of service, and made the work

of train service employees easier to perform (Tr. 8249; Ex. 19, pp. 46-52; Ex. 24, 19-27).

Among the many advantages to be gained by the railroads from the instant proposal, say the Carriers, are the following:

(1) The maximum amount of work which a carrier would be entitled to receive from through freight train service employees for a basic day's pay would be increased by 25 percent or 25 miles.

(2) Through freight service employees would receive payment for over-miles after a run of 125 rather than after a run of 100 miles as at present because on runs from 101 to 125 miles only the basic daily rate exclusive of hourly overtime would govern.

(3) The mileage rate allowed through freight train service employees for over-miles would be decreased by 20 percent, i.e., from 1/100 of the daily rate to 1/125 of the daily rate.

(4) The speed basis used in calculating the point where overtime begins in situations other than where a minimum day is paid would be increased from 12½ miles per hour to 15⅝ miles per hour.

The Carriers are careful to state that the instant proposal would not change the following factors in the pay of through freight service employees: (1) the basic daily rate, (2) a basic day comprehending 8 hours or less, (3) the payment of overtime rate on a minute basis at a rate per hour of 3/16 of the daily rate, (4) the total pay of train service employees on runs of 100 miles or less (Carriers' Ex. 24, p. 4).

According to the Carriers, the present request would merely apply to this situation in the railroad industry the principles governing the basis of pay where piece-work rates are paid in all other industries (Tr. 8249; Carriers' Ex. 24, pp. 27-29, 79-86). In train service, the Carriers point out, the standard of performance and the measure of the value of the employees' effort have remained unchanged and static for nearly 50 years, consequently the compensation received by passenger and through freight service employees no longer bears any relation to the value of the services that they perform or to the hours that they work (Tr. 8249; Carriers' Ex. 24, pp. 19-25). Failure to adjust the production unit on which the wage rate in road service is based to reflect technological advances has given the employees the entire fruits of such advances, the Carriers say.

In support of their proposal, the Carriers point out that from 7 and a half to 8 hours were required to earn a day's pay in through freight service 30 years ago, whereas presently approximately 6 and a quarter hours are required for that purpose. If, say the Carriers, 100 miles was the equivalent of a days work of from 7½ to 8 hours in the early 1920's, almost exactly 125 miles is today's equivalent (Tr. 8250, 4304-10; Carriers' Ex. 2, p. 22; Ex. 24, pp. 24, 77-78; Ex. 3, pp. 14-15).

Carriers contend that their proposal is based upon recognized and established principles governing incentive and piece-work rates. From 1921 to 1949, the Carriers state, the average speeds of all freight trains have increased 47 percent, from 11.5 miles per hour in 1921 to 16.9 miles per hour in 1949. Over this same period, it is stated, the average miles per conductor-hour on duty have increased 36 percent, from 9.5 miles per hour on duty in 1921, to 12.9 miles per hour on duty in 1949. As in the case of the through passenger service, the Carriers say, increases in speeds of through freight trains have been made possible by improvement in the existing track and track facilities, by the purchase of improved rolling stock and by the construction of new lines of railroad. Investment of capital is indicated as the responsible factor in this progress (Carriers' Ex. 24, pp. 20-24). During the 27-year period 1923 to 1949, the railroads have made gross capital expenditures for additions and betterments aggregating $16,155,000,000, of which $8,737,000,000 was for equipment and $7,418,000,000 for roadway and structures, the Carriers point out (Carriers' Ex. 24 p. 27).

These technological advances, the Carriers insist, have not been reflected in rules and practices governing work and pay on the railroads. It is stated in this connection that in other industries the incentive standard is sensitive and immediately responsive to any technological change that produces an increased rate of production through no effort on the workers' part, but in the train service, because of increased train speeds made possible by technological improvements and the investment of capital, the incentive rate has become merely a device to produce an unearned increment to the worker (Carriers' Ex. 24, p. 29).

The Carriers frankly state that their proposal would reduce the average compensation of through freight train service conductors per hour on duty approximately 11½ percent, but add that a very large majority of conductors now assigned to this service would still earn more than $2 per hour on duty and few employees now earning more than $2 per hour on duty would have their earnings reduced below that figure. Under the proposal, the earnings of all through freight train service conductors would average more than $1.92 per hour on duty, the Carriers state (Carriers' Ex. 24, p. 34).

Organizations' Position. The Organizations' position with regard to the instant proposal is intermingled with and similar to their position concerning the companion proposal for the through passenger service. They point out that in increasing the basic day in the through freight service from 100 to 125, the Carriers are

admittedly seeking to reduce the wages of these employees. The mileage rate for through freight service would be reduced by one-fifth or 20 percent, which means that, for example, a through freight conductor in the West who currently received a mileage rate of 12 cents, would have that rate cut to 9.6 cents (Tr. 7982).

If the instant proposal were adopted, the Organizations reiterate, the result would be the first reduction in basic rates of pay in the railroad industry since 1920, and the 30 years of steady progress for these workers would be reversed (Tr. 7984). The instant proposal would, like its companion one for the through passenger service, either require more hours of work and miles run for the same money or would pay less money for the same hours of work and miles run. The essential purpose of both of these proposals, the Organizations insist is a cut in wages of through passenger and through freight service employees (Tr. 7981).

7. *Interdivisional and Intradivisional Runs.*

(a) The Carrier shall have the right to establish interdivisional, inter-seniority district, intra-divisional and intra-district runs in assigned and unassigned service with the right to operate any such run, whether assigned or unassigned (including extra service), on either a one way or turnaround basis and through established crew terminals; under the following conditions:

(1) The Carrier shall distribute the mileage ratably as between employees from the seniority districts involved.

(2) The right to operate such runs will be free of the imposition of any restrictions as to class of traffic which may be handled or as to the origin or destination of any empty or loaded cars moving on such runs.

(3) The Carrier shall give notice to the General Chairman of its intention to establish such a run or runs whereupon the Carrier and the General Chairman shall, within 30 days, agree on such other conditions, not inconsistent with the foregoing, upon which such run or runs may be established. In the event the Carrier and the General Chairman cannot so agree on the matter, then it is agreed that the dispute will be submitted to arbitration in accordance with Sections 7 and 8 of the Railway Labor Act, as amended, with the limited authority to decide what conditions shall be met under this paragraph (3) by the Carrier if and when such runs are established.

(b) No rule, regulation, interpretation or practice shall be construed to in any way prohibit, restrict or limit the provision of paragraph (a).

(c) All rules, regulations, interpretations or practices, however established, which conflict with the above shall be eliminated, except that existing rules and practices considered by the Carrier more favorable, are preserved.

Carriers' Position. The right to establish interdivisional runs, say the Carriers, means the right to absorb constructive mileage and the right to run crews through terminals. The purpose of interdivisional runs is to avoid pay for time not worked and miles

not run and to eliminate unnecessary stops and avoidable delay for the purposes of changing crews and switching cabooses, all of which interferes with the efficiency and add to the cost of operations, the Carriers contend. The effect of the instant proposal, say the Carriers, would be to provide a means for correcting a harmful and inequitable condition with respect to the restrictions now prevailing as to the operation of runs passing across the interdivisional and interseniority district boundaries, or through designated crew terminals. On most railroads, it is stated, the current agreements prohibit the operation of such runs except where such runs have been agreed in the past by joint agreement or were inaugurated before rules restrictions existed. These prohibitions are outmoded because of improved motive power, equipment, and roadbed as well as the public's desire for expedited train schedules, the Carriers assert. Furthermore, the Carriers state, by virtue of awards of the National Railroad Adjustment Board, certain present rules which do not specifically prohibit such runs have been given an application and effect either to prohibit or restrict such runs, with the result that the right of Carriers to operate through train service has been made subject to severe and improper restrictions (Tr. 8275; Carriers' Ex. 25, pp. 1-2).

The Carriers point out that the merit of the instant proposal has been recognized by the Organizations before this Board and endorsed by Emergency Board 57. In 1947, it is stated, these Organizations agreed that where a Carrier considers it advisable to establish interdivisional runs the Organizations will enter into local negotiations for the effectuation of that result (Tr. 8276; Carriers' Ex. B, p. 490; Ex. 25, pp. 29-31). Emergency Board 57 in 1948 urged that the parties before that Board work out procedures pointing toward mutual agreement for the establishment of interdivisional runs, the Carriers remind us (Tr. 8276; Carriers' Ex. B, pp. 573-75; Ex. 25, pp. 31-32). That Board, it appears, recognized clearly the public interest involved in the instant matter. Although, the Carriers claim, the railroads have attempted to implement the provisions of the 1947 agreement, and the directive of Emergency Board 57, it has been impossible to obtain the cooperation of the Organizations to this end, consequently no progress has been made in the matter which that Board acknowledged is of public interest. The only alternative, say the Carriers, is a favorable recommendation by the present Emergency Board (Tr. 8276; Carriers' Ex. 25, pp. 29-32; Ex. B, pp. 490, 573-75; Ex. 28, pp. 32-41).

If, say the Carriers, in the exercise of the requested right to absorb constructive mileage and run trains through terminals,

the legitimate interests of employees are affected, the instant proposal provides for local negotiations covering this matter. Should such negotiations not eventuate in an agreement, the Carriers are willing to submit the dispute to arbitration (Tr. 8276-7; Carriers' Ex. 25, pp. 1-2, 49-51).

It is the contention of the Carriers that the merits of the instant proposal have been established and admitted, so that the only question before the present Board involves the mechanics of how mutual agreement shall be reached with respect to the legitimate interests of employees affected by the establishment of interdivisional runs (Tr. 8277-8; Carriers' Ex. B, pp. 573-75; Ex. 25, pp. 31-32). The Organizations' refusal to cooperate in achieving this purpose is found in the fact that, obeying their selfish interests, they have prevented extensions and consolidations of divisions in order to exact from the railroads pay for constructive miles and hours not worked, gift pay no longer earned or justified on the basis of the number of hours worked per run, say the Carriers. And behind these facts, say the Carriers, is the rivalry between employees' organizations. The rank and file of workers, the Carriers contend, prefer interdivisional runs because of the greater earnings opportunities and the proportionately greater time available to the employees at their home terminals (Tr. 8278-79; Carriers' Ex. 25, p. 53; Ex. 26, p. 3).

The Carriers contend that the instant proposal is intended to assure that through train service can be operated under fair conditions without unnecessary delay or penalty so that the benefits to the public, the employees, and the railroads, which should arise from such service, may be fully realized. Efficiency and speed of operation are increased by the elimination of terminal congestion and delay due to changing crews, and better service to the public results from handling trains on faster schedules, the Carriers point out. The fact that the older employees on the seniority rosters select these interdivisional runs is proof of their preference for such service, the Carriers insist. The essential merits of the proposal were fully recognized, the Carriers state, by Emergency Board 33 in 1946, which recognized the reasonableness of the proposal; and by Emergency Board 57 in 1948, which acknowledged the potential benefit to the carriers, the public and the employees that the proposed rule would provide (Carriers' Ex. 25, pp. 3, 53-54).

Organizations' Position. The Organizations emphasize their conclusion that in the proposal the Carriers seek completely to destroy the seniority rights of their employees, and propose what

is essentially a form of compulsory arbitration "unparalleled in modern industrial relations." The Carriers in seeking the absolute and arbitrary right and unrestricted discretion to establish interdivisional and interseniority district runs and pool cabooses completely disregard the terms of the December 12, 1947 Agreement between the Carriers and the Organizations (Tr. 8014; Employees' Rebuttal Ex. 85, p. 1).

The proposal, the Organizations contend, is exactly the same in substance as the corresponding one submitted to Emergency Board 57, and which that Board disposed of in unmistakable terms. That Board, the Organizations point out, concluded that the Carriers were asking for "the establishment of unrestricted management discretion in a matter which has been recognized for years as the appropriate subject of both collective bargaining and the application of the seniority system, and which was so recognized by the Carriers themselves in the recent settlement referred to" (December 12, 1947 Agreement). That Board doubted the wisdom and practicability of a uniform rule in the matter, but recognized the possibility of significant economies from the application of a rule mutually determined which was stressed by Emergency Board 33 in 1946. It was not without adequate reason, the Organizations say, that Emergency Board 57 recommended that the Carriers withdraw their proposal and that this matter of interdivisional runs be made the subject of joint consideration by the parties (Employees' Rebuttal Ex. 85, pp. 2-4).

The Organizations remind us that the December 12, 1947 Agreement between the parties before this Board is still in force. That joint agreement, say the Organizations, provided for mutual determination of the establishment of interdivisional and interseniority district freight and passenger runs, and the pooling of cabooses. That agreement, the Organizations point out, requires that the Carriers and the employees definitely recognize each other's fundamental rights, and, where necessary, that reasonable and fair arrangements shall be made in the interests of both parties (Employees' Rebuttal Ex. 85, pp. 5-8).

The distinguishing feature of the instant proposal, compared with the corresponding one submitted in 1948, state the Organizations, is its paragraph "(3)." This paragraph reads:

> "(3) The Carrier shall give notice to the General Chairman of its intention to establish such a run or runs whereupon the Carrier and the General Chairman shall, within 30 days, agree on such other conditions, not inconsistent with the foregoing, upon which such run or runs may be established. In the event the Carrier and the General Chairman cannot so agree on the matter, then it is agreed that the dispute will be sub-

mitted to arbitration in accordance with Sections 7 and 8 of the Railway Labor Act, as amended, with the limited authority to decide what conditions shall be met under this paragraph (3) by the Carrier if and when such runs are established."

The provision of this paragraph, the Organizations contend, represents the very attitude of the Carriers against which the Organizations were so careful to protect themselves in the December 12, 1947 Agreement, and is a contravention of the recommendations of Emergency Board 57 in that it carries with it "unrestricted managerial discretion." Such a provision, say the Organizations, would emasculate the December 12, 1947 Agreement (Employees' Rebuttal Ex. 85, pp. 8-10).

In connection with the request, it is well to remember, say the Organizations, that the Carriers have been successful in negotiating interdivisional and interseniority district runs agreements. The Organizations state that where the Carriers have made sincere efforts to negotiate an agreement, it has quite generally been successful; failure has been due in many instances to management's demand for unrestricted rights to establish interdivisional runs without regard to the provisions of the December 12, 1947 Agreement (Employees' Rebuttal Ex. 85, pp. 11-13).

According to the Organizations, the establishment of interdivisional runs is no panacea for expediting train service, as the Carriers claim. Transcontinental runs often are covered by interdivisional run agreements, but most trains are not in this category, it is pointed out. Expediting runs is not the simple matter the Carriers represent it to be, the Organizations claim, since passenger trains must stop at terminal points for passengers, and freight trains seldom can be operated through a terminal without stopping. Many trains could, the Organizations admit, be expedited by the establishment of interdivisional runs (Employees' Rebuttal Ex. 85, pp. 13-15).

Finally, the Organizations contend that in the proposal the Carriers have the ulterior purposes of eliminating the men's constructive mileage, which would result in a reduction of pay for those employees whose compensation is based in part upon the factor of constructive mileage; the abandonment of employees' contractual rights, without mutual consideration; and the forcing of the men to move their homes without the benefit of collective bargaining on the subject (Employees' Rebuttal Ex. 85, pp. 15-20).

8. *Pooling Cabooses.*

(a) Subject to the provisions of paragraph (b), the Carrier may pool its cabooses with the right to operate them through terminals or over two or more divisions. Such pooling may cover the entire line of railroad and all classes of runs and service or be limited to specified parts

of the line and/or classes of runs and service as may appear desirable to the Carrier.

(b) Whenever the Carrier desires so to pool its cabooses, it shall give notice to the General Chairman, whereupon the Carrier and the General Chairman shall, within 30 days, agree upon any facilities that should be furnished to provide accommodations substantially equivalent to those formerly available on the cabooses and used by the employees and on appropriate arrangements for supplying and servicing such pooled cabooses. In the event the Carrier and General Chairman cannot agree on these matters, then it is agreed that the dispute will be submitted to arbitration in accordance with Sections 7 and 8 of the Railway Labor Act, as amended. The award of the arbitration board shall not require the Carrier to pool cabooses but shall be accepted by the parties as the conditions which shall be met by the Carrier if and when cabooses are pooled.

(c) All rules or practices now in effect inconsistent herewith are eliminated, but the Carrier may, if it so elects, retain and preserve any existing rules or practices with respect to pooling cabooses considered by it more favorable.

Carriers' Position. In support of the instant request the Carriers state that the pooling of cabooses will enable the railroads to avoid unnecessary delays at terminals where through freight trains wait until yard crews are available to switch the "private" cabooses of the train crews. This is because under the proposed rule the operation of a caboose would not be confined to either seniority divisions or operating divisions, say the Carriers. In order to meet the increasingly severe competition of air and truck transportation, it is necessary, the Carriers point out, that the railroads be free of outmoded rules and practices serving only to retard improvement. This is as important to the employees as it is to the railroads, the Carriers state, since the retention of traffic means retention of employees' jobs, and increased traffic means increased jobs opportunities for a greater number of employees. Delays caused by changing cabooses at terminals militates against the capacity of the railroads to meet competition for traffic, the Carriers emphasize (Carriers' Ex. 26, pp. 1-3).

The proposed rule, permitting Carriers to pool cabooses, would greatly aid in improving rail service, it is stated. This would be accomplished by: (1) enabling carriers, particularly on through freight runs, to shorten their train schedules and thereby render more expeditious freight service; (2) enabling carriers to reduce capital expenditure and maintenance costs because a lesser number of cabooses would be required; and (3) greater availability of equipment. In the development of these arguments, the Carriers point out that changing cabooses at terminals sometimes causes blocking of yard lead tracks, resulting in unnecessary delays to following trains which could be eliminated if pooling of cabooses were permitted. Pooling of cabooses would

make unnecessary, in many instances, these delays and would enable carriers to provide a shorter time schedule and so result in more expeditious service to the shipping public (Carriers Ex. 26, pp. 3-5).

The Carriers state that the use of the locomotive that pulls the train is not subject to archaic "non-pooling" or "assignment" rules, hence the railroads are able to avail themselves of the full operating efficiency of their locomotives and receive maximum returns on their investment. Such is not the case with regard to the utilization of cabooses, the Carriers state. Under the proposed rule, say the Carriers, the railroads would not need as many cabooses for the adequate performance of their freight service if cabooses were run through with trains. With cabooses valued at $5,000 to $8,000 each, it is obvious, say the Carriers, that the reduction in capital expenditure would be substantial. Cabooses, when switched from trains, must be placed on socalled "caboose storage tracks," which generally are used for no other purpose, consequently the installment and maintenance of such trackage is an important expenditure that could be eliminated, the Carriers say (Carriers' Ex. 26, pp. 6-7).

The greater availability of equipment would also be a significant financial advantage, the Carriers state. Obviously, they state, on roads where cabooses cannot be pooled under present rules and practices, cabooses are idle the greater part of the day for no other reason than that they are assigned to a particular train crew and can be used by none other or for any other purpose. This "freezing out" of cabooses, that is, their lack of availability, sometimes results in train delays, or the recourse to makeshift equipment to serve as cabooses, the Carriers declare (Carriers' Ex. 26, pp. 7-8).

The Carriers stress the point that operating equipment is not assigned to other employees of the railroads or other transportation industries, which compete with the carriers. In the trucking industry, trucks are run through although employees are changed enroute; busses are run through but employees are changed enroute; planes are operated from coast to coast, but employees are changed enroute. Moreover, say the Carriers, in the railroad industry cabooses are not assigned to passenger trains, and equipment, including the engine and cars, goes through but train and engine crews are changed enroute. When crews used cabooses for eating and sleeping purposes there was some excuse for existing practices, but currently adequate eating and sleeping facilities, sometimes owned and subsidized by the Carriers at considerable expense, are available, and employees' time

on duty between terminals has been greatly reduced (Carriers' Ex. 26, pp. 9-10).

Organizations' Positions. The Organizations' initial argument against the instant proposal is that it is directly contrary to the Agreement of December 12, 1947 which specifically provides that the matter of pooling cabooses shall be one for joint agreement between the parties. That Agreement, the Organizations remind us, is still in effect, yet here the Carriers seek the arbitrary right to pool cabooses (Employes' Rebuttal Ex. 85, p. 21). The fact is, state the Organizations, the Carriers not only propose to exclude this matter from the area of collective bargaining, but even from arbitration, substituting therefor the unrestricted right to pool cabooses arbitrarily and at their own discretion (Employees' Rebuttal Ex. 85, pp. 22-23).

It is stated by the Organizations that the problem of pooling cabooses is not nearly so simple as the Carriers represent it to be. A realistic view of operations will reveal this fact, it is said. Freight trains do not always stop at convenient passenger station loading platforms, but stop somewhere in the yards, long distances from the terminal facilities, the Organizations state. It must be kept in mind, say the Organizations, that freight train service employees have to have available a great deal of heavy gear. In this connection the Organizations point out that road train crews generally carry a complete change of dry clothing in case they get wet; they must provide themselves with foul-weather gear, which will include heavy raincoats, rubber boots, sou'westers, etc.; they must carry in addition sweaters and extra outerwear to meet cold weather. All of a road man's gear taken together, say the Organizations, makes a considerable load, and it is generally at least a half-mile between wash- and locker-room facilities and the point where the caboose is stopped (Employees' Rebuttal Ex. 85, p. 25).

There is a constructive alternative to the granting of the instant proposal, the Organizations state. Such an alternative would be a recommendation by this Board that the parties find their solutions of this and related problems within the framework of the mutually accepted December 12, 1947 Agreement. This is the method, the Organizations assert, that has proved so successful before in the railroad industry (Employees' Rebuttal Ex. 85, pp. 27-28).

9. *Coupling and Uncoupling Hose, Making Air Tests and Chaining and Unchaining Cars.*

Road and yard conductors, trainmen and yardmen may be required, without additional or penalty pay, and as a recognized part of their work,

to couple and uncouple air, signal and steam hose, chain and unchain cars, and to make necessary air tests.

All rules, regulations, interpretations or practices, however established, which conflict with the above shall be eliminated, except that existing rules and practices considered by the carrier more favorable, are preserved.

Carriers' Position. In support of the instant proposal, the Carriers declare that few rules in the schedule books have caused more dispute or dissension or have interfered so much with the efficiency or added to the cost of operations as have the air hose rule. The labor involved in coupling and uncoupling air hose is so small that it is insignificant, say the Carriers. Nevertheless, the Carriers assert, these Organizations have exacted from the railroads from one to 8 hours of pay for performing this relatively simple service, an exaction which has been demanded not only for the man who does the coupling or uncoupling in a few seconds but also for all other members of his crew, a total of from 3 to 24 hours pay for 3 seconds of work (Tr. 5469-77; Carriers Ex. 5, pp. 8-10).

The Carriers state that carmen, trainmen and yardmen coupled the uncoupled air hose as a part of their regular duties and without extra compensation on all railroads and in all yards prior to 1910, when the yardmen prevailed upon certain railroads to enter into agreement providing that yardmen would not be required to perform this simple service (Tr. 5485-89, 5525, 8192-3). This agreement was interpreted by all parties concerned as requiring the Carrier to use carmen to couple and uncouple air hose when they were readily available and when their use would not interfere with switching operations. No difficulty arose in the application of the rule from 1910 to 1936, the Carriers say, during which period yardmen were performing this duty every day in every yard in the United States when carmen were not immediately available to perform the work (Tr. 3930, 4270-72, 5489-95, 8193). Because the Adjustment Board tended to hold that if yardmen engaged in coupling or uncoupling air hose in a yard where carmen were employed there was a violation of the air hose rule and, consequently, claims for violation could be claimed by the yardmen involved. Because, the Carriers say, it is absolutely impossible to operate the railroads with any degree of efficiency without requiring yardmen at certain times and places to perform this duty, the railroads were forced to enter into "escape agreements," which allow one or more hours of pay to yardmen coupling or uncoupling air hose, and to other members of the crew (Carriers' Ex. 5, pp. 8-10; Ex. 15, pp. 27-30; Tr. 8193-4).

Such agreements as just noted, say the Carriers, are grossly inequitable, unreasonable and unfair, and should be abolished. The

job of coupling or uncoupling air hose is not as dangerous as much of the other work performed by yardmen, such as climbing on or over moving cars, the Carriers state (Tr. 5540, 5572, 8194-5). Moreover, state the Carriers, these escape agreements occasion enormous costs, delay operations, and result in an extraordinary waste of time, money and efficiency (Tr. 8196; Carriers' Ex. 15, pp. 25-26, 37).

No jurisdictional rights of carmen can possibly be involved in the application of the instant proposal, except perhaps in connection with coupling and uncoupling air hose as a part of the operation of repairing cars, as distinguished from the operation of switching or moving cars, the Carriers contend. This is unmistakably shown by the fact that the trainmen and yardmen couple and uncouple air hose without question in yards where carmen have never been employed, the Carriers state. A further demonstration of the unlikelihood of jurisdictional difficulty arising in such circumstances is seen in the fact that trainmen and yardmen couple and uncouple air hose without question and without hesitation in yards where carmen are employed if extra compensation is given for doing the work (Tr. 8196, 5521-22; Carriers' Ex. 15, pp. 25-26, 31-33). The Carriers state that both the Adjustment Board and the United States District Court have held that carmen do not have exclusive jurisdictional rights to couple and uncouple air hose. Rather than creating a jurisdictional problem, the proposed rule would merely take away from the yardmen the 3 to 24 hours of gift pay they now exact from the Carriers when one member of a yard crew performs this trifling service, the Carriers assert (Tr. 8198).

There can be no doubt, say the Carriers, that application of the proposed rule would contribute to the efficiency and economy of operations (Tr. 8198).

Organizations' Position. The Organizations point out that substantially the same proposal as the Carriers' instant one was submitted to Emergency Board 57 in 1948, which recommended that it be withdrawn on the grounds that, if adopted, it would have the effect of giving to the trainmen and yardmen certain work which may well be considered within the exclusive jurisdiction of the carmen or other groups of employees. There can be no doubt, the Organizations contend, that that Board fully recognized the potentialities of a jurisdictional problem in such a proposal as is here repeated. Nor must it be forgotten, the Organizations insist, that the Carriers withdrew the identical proposal when they signed the agreement of December 12, 1947 with the Order of

Railway Conductors and the Brotherhood of Railroad Trainmen (Employees' Rebuttal Ex. 81, pp. 1-3).

Pursuing the matter further, the Organizations contend that the Carriers instant proposal, if approved, would invalidate hundreds of agreements jointly entered into on various individual properties, agreements accomplished locally through the processes of collective bargaining (Employees' Rebuttal Ex. 81, pp. 3-4). The real opposition of the Carriers, say the Organizations, is not to the application of the various rules jointly agreed upon, but rather to the fact that penalty payments have been assessed against the railroads for violations of the rules, which is the one certain means of making the rules effective (Employees' Rebuttal Ex. 81, pp. 4-5). There can be no doubt, the Organizations say, that what the Carriers seek is the right of unrestricted determination as to what class of employees shall couple and uncouple air hose, depending upon the circumstances existing at a given time (Employees' Rebuttal Ex. 81, pp. 5-9). This, the Organizations state, is to be done without regard for the rights of the Carmen's Organization in such operations.

That the carmen have rights to the coupling and uncoupling of air hose there can be no question, according to the Organizations before this Board, which point out that it is necessary only to examine the specific awards of the Adjustment Board division having jurisdiction over carmen's claims to discover that such work properly and rightfully belongs to carmen (Employees' Rebuttal Ex. 81, pp. 9-11). Nor must it be forgotten, the Organizations say, that in advancing the instant proposal, the Carriers have disregarded or disagreed with the 7 to 1 decision of the Supreme Court of the United States in the Slocum Case (Slocum v. D. L. & W. R. R. Co., No. 391—October Term 1949), which clearly establishes the function of the Adjustment Board to decide such matters as are involved in this request (Employees' Rebuttal Ex. 81, pp. 11-13).

The Organizations insist that, despite Carriers' opinion to the contrary, the coupling and uncoupling of air hose as required of ground crews is very hazardous since when such crews are required to do this work the cars are not protected by the "blue flag," as are carmen when they perform the same duty (Employees' Rebuttal Ex. 81, pp. 14-15).

According to the Organizations, the Carriers here are not objecting to the merits of the rules governing the coupling and uncoupling of air hose, but to the fact that they are effectively discouraged from violating those rules. The fact that many of the Carriers and the Organizations have entered into agreements

greatly modifying the amount of the penalty for infraction of these rules indicates that the crux of the problem is penalty payments imposed by the Adjustment Board (Employees' Rebuttal Ex. 81, pp. 15-16).

Finally, say the Organizations, the National Mediation Board, on January 2, 1942, in Case No. R-778, ruled on the instant matter, recognizing that the duties of coupling and uncoupling air hose is the rightful and proper function of the carmen (Employees' Rebuttal Ex. 81, pp. 16-17).

10. *Elimination of Train Service Earnings Guarantees.*

Eliminate all existing rules, regulations, interpretations or practices, however established, which provide for daily, weekly, or monthly earnings guarantees.

Carriers' Position. Three types of guarantees are involved in the instant proposal, the Carriers explain: (a) monthly guarantee in train service, (b) daily guarantee in train service, and (c) monthly guarantee in way freight, work, wreck, and construction service.

While there is some variation in guarantee rules, the standard rules, according to the Carriers, provide for a daily guarantee amounting to 30 cents in excess of the basic daily rate in passenger service and a monthly passenger service guarantee of 30 times the basic daily rate, subject to the terms and conditions indicated. The monthly guarantee in local and way freight, wreck, work, and construction service provides employees with earnings of not less than 100 miles or 8 hours for each calendar work day. With the exceptions noted these guarantees apply only to regular assignments (Carriers' Ex. 21, pp. 1-3).

Explanation of how such rules are applied is essential to a clear understanding of the issues involved here, the Carriers indicate.

Passenger Train Service Monthly Guarantee: The monthly guarantee rule applicable to conductors and trainmen applies only in regular service to employees who are available for service the entire month, although employees who lay off of their own accord participate pro rata with the extra men who fill their positions in guarantee payments. The rule guarantees employees monthly earnings equivalent to 30 times the amount of their basic daily rates, although the sum of an employee's earnings during the month is not taken into account in determining whether such earnings have aggregated the amount guaranteed, and the rule explicitly excludes overtime from the computation of the earnings under the rule. Compensation received for over-miles (That is, miles run on any particular trip in excess of 150) is credited against the monthly guarantee; however, if an employee's assign-

ment involves less than 30 days work and he has not run a sufficient number of miles to produce earnings equal to his monthly guarantee he must be paid the difference between his mileage earnings and the amount provided by the guarantee rule regardless of the amount of overtime that he may have received during the month. Monthly guarantee payments are most frequently received and in larger amounts by employees assigned to short turnaround service, although the total monthly earnings of such employees are not necessarily less than those assigned to straightaway service. Although monthly guarantee payments are paid in straightaway service as well as in turnaround service, it is the latter type of service which is most affected by the proposed rule. A special study revealed that the 16 principal commutation carriers, which carry 97.4 per cent of the commutation passengers in the United States, paid 89.9 percent of their monthly guarantee payments to employees in short turnaround service and that such payments amounted to 75 percent of the total monthly guarantee payments made by Class I Carriers in the United States.

The daily guarantee in passenger service, unlike the monthly guarantee, takes into account all earnings of the employees, including mileage earnings, overtime, arbitraries and special allowances in determining whether the employee's wages have equaled the minimum established guarantee. The National Railroad Adjustment Board has interpreted the rule to exclude earnings received in another class of service or occupation, such as additional payments by a trainman for handling express or mail. The daily guarantee, unlike the monthly guarantee, applies to both regularly assigned and extra men.

Freight Train Service Monthly Guarantee: Employees eligible for the freight train service monthly guarantee are guaranteed pay for not less than 100 miles or 8 hours, exclusive of overtime payments, arbitraries and special allowances, for each calendar working day, including holidays whether worked or not. Employees assigned to the services are guaranteed pay for not less than 2,600 miles or 208 hours during a 30-day month containing four Sundays, regardless of the number of holidays contained in the month. Regularly assigned men are paid a minimum basic day for each day of their assignment regardless of whether or not any service is performed. That is, miles in excess of 100 per day may not be used to build up credit against the local freight guarantee if a regularly assigned man is tied up on one or more days during the month (Carriers' Ex. 21, pp. 4-8).

Of the three rules referred to above, the passenger train service monthly guarantee rule is probably the most unreasonable, ob-

noxious and unfair, according to the Carriers (Tr. 8231). It is objectionable because the large overtime payments received by short turnaround passenger service employees cannot be credited against the guarantee, and it is here that 75 percent of all such guarantee payments are made, the Carriers say (Tr. 8232; Carriers' Ex. 21, pp. 26-27). The unfairness and inequity in this situation was recognized by Emergency Board 33 in 1946, which recommended that all rules be eliminated which prohibit the use of overtime payments together with earnings for all other sources to make up daily or monthly guarantees, the Carriers state (Tr. 8232; Carriers' Ex. B, p. 339; Ex. 21, p. 15). Fully 75 percent of all monthly guarantee payments duplicate in whole or in part overtime payments which cannot be credited against the guarantee, the Carriers point out (Tr. 8232; Ex. 21, pp. 29-31).

Other reasons why the Carriers feel that this unfair and inequitable rule should be abolished are: (a) the fact that it no longer serves the purpose for which it was created, and (b) the fact that the burden of the rule rests upon a comparatively few railroads engaged in furnishing commutation service at great financial loss (Tr. 8232-3; Carriers' Ex. 21, pp. 24-27). No possible justification can be suggested for the continuation of this device by which short turnaround passenger service employees obtain pay for time not worked, indeed duplicate pay for time not worked, the Carriers declare. The 8 within 9 overtime rule in short turnaround passenger service, in conjunction with the minimum basic day rule, insures short turnaround passenger service employees generous compensation for the service they perform, the Carriers assert (Tr. 8233; Carriers' Ex. 21, pp. 26-27).

The carriers declare that the passenger train service daily guarantee is objectionable in all the respects in which the monthly guarantee is objectionable, except that this rule does recognize the equity of permitting the Carriers to credit overtime payments against the guarantee (Carriers' Ex. 21, pp. 21-34). There can be no defense of such a rule since is has no merit under existing conditions, the Carriers say.

The monthly guarantee paid in way freight, work, wreck and construction service is almost as objectionable as the monthly guarantee rule in passenger service, but for different reasons, the Carriers declare.

The freight service guarantee rules was first written into the schedule during the years 1910 to 1913, as a result of regional and system negotiations and arbitration proceedings, while the mileage basis of pay was being adopted in the Eastern and Southeastern regions, it is stated. At that time it was thought that

the mileage basis of pay would not provide a living wage for employees assigned to way freight, work, wreck and construction service because of the comparatively small number of miles that these employees would run in the course of a day's work, the Carriers point out (Tr. 8234; Carriers' Ex. 21, pp. 17-24). On the basis of the same fears the Director General of Railroads extended the mileage basis of pay to the Western region, the Carriers state. All such fears have proved groundless, the Carriers insist (Carriers' Ex. 21, p. 20; Tr. 8234).

Way freight employees enjoy higher daily, weekly, monthly and annual earnings than an other class of road or yard service employees, the Carriers state. These higher earnings have resulted from a shorter work-day and from the application of an overtime rate which has been increased from one-tenth of the daily rate, or nothing at all in most cases, to three-sixteenths of the daily rate (Tr. 8235; Carriers' Ex. 2, pp. 26-27, 50-51; Ex. 3, pp. 2-17; Ex. 21, p. 20; Tr. 5974).

It is clear, say the Carriers, that the freight service guarantee rule as it now operates results in increasing the compensation of the highest paid employees, and, like the monthly guarantee rule in passenger service, it results in duplicate payments and pay for time not worked, consequently it widens the disparity between the higher paying and the lower paying assignments in the same service and in different classes of service (Tr. 8235; Carriers' Ex. 21, pp. 35, 38).

The freight service guarantee rule is objectionable for another reason, according to the Carriers: it is so ambiguous and uncertain in its terms that its purpose is frequently forgotten or overlooked, with the result that the Adjustment Board now tends to extend its scope in such a manner as needlessly and pointlessly to increase the cost of the service and materially increase the pay for time not worked (Tr. 8236; Carriers' Ex. 21, pp. 35-41).

In conjunction with the matter of costs incident to guarantee rules, the Carriers call attention to the fact that the Organizations' proposal for a graduated scale of rates based on weight on drivers would, if adopted, render the daily guarantee rule even more offensive and odious by increasing the maximum payments under the rule as much as 480 percent. The present maximum differential of 30 cents, uniform for all classes of employees in passenger train service, would be increased up to $1.74 for conductors and $1.02 for brakemen, the Carriers state (Carriers' Ex. 21, p. 33). On the other hand, the Carriers assert, adoption of the Carriers' instant proposal would result in savings totalling $1,507,992 per year (Carriers' Ex. 21, p. 42).

Organizations' Position. The Organizations assert that the Carriers' obvious purpose in advancing the instant proposal is to eliminate guarantee agreements which do not permit the absorption of overtime. It is essential to note, the Organizations say, that the recommendation of Emergency Board 33 in 1946 in this matter was rejected by the Organizations. The Carriers' belief that no longer is there any reason for the exclusion of overtime from guarantee rules cannot now be accepted by the employees, the Organizations contend. This rule is of extreme importance to the railroad men, as is attested by their willingness to strike in its defense in 1946, the Organizations declare (Employees' Rebuttal Ex. 83, pp. 4-5).

The Organizations insist that one of the primary purposes of the monthly guarantee rule is for the preservation of take-home pay. It is obvious, the Organizations believe, that a 30-cents daily guarantee is hardly sufficient to convert the basic rate into a living wage, but it is helpful to this end. The men most directly involved in any application of the instant proposal are the very men who depend upon overtime for the maintenance of their normal incomes (take-home pay), the Organizations state. Nor must it be believed, the Organizations say, that the Carriers here seek to preclude overtime work by these men; on the contrary, they contemplate the continuances of at least as much overtime work, but employees' assumption of payment therefor on those days on which they held themselves available for service when the Carriers did not choose to use them (Employees' Rebuttal Ex. 83, pp. 6-9).

With regard to the Carriers' contention concerning payment for time not worked, the Organizations state that it is necessary here to consider to what extent the employees involved are paid for availability, which is also service. In this connection it is pointed out that the Carriers may assign these men for the entire 30-day period which their guarantees cover, but, if the Carriers choose, they may assign men for only 28 or 26 days during the month and use them in extra service at other times. It should be made clear, the Organizations state, that though these men may have a regular assignment for only 26 days during the month, the remaining four days belong to the carriers. In order to benefit from the monthly guarantee rule, these men must hold themselves available and ready for service; otherwise, they lose the benefit of the guarantee rule, the Organizations declare (Employees' Rebuttal Ex. 83, pp. 9-10). Indeed, state the Organizations, men with 26-day assignments who decline Sunday extra service for whatever reason lose the benefits of their guar-

antees, and because of the unpleasant features of much of that service (excursions, etc.) may voluntarily forego the benefits of their money monthly guarantees. The men do not, the Organizations assert, have any control over the length of assignments, whether 28 or 30 days per month, nor over what service the carriers may choose to use them in to make-up the guarantee (Employees' Rebuttal Ex. 83, p. 10).

The effect of the instant proposal on the short turnaround men is notable, the Organizations say. The Carriers make much of the fact that the rule daily benefits men in short turnaround passenger service, but it is necessary to remember, say the Organizations, that it is this service which does not give the men the opportunity to augment their minimum day's earnings through increased mileage production; their mileage is confined to the scope of their assignment, which often falls short of the minimum mileage day (Employees' Rebuttal Ex. 83, p. 12). Nor must it be forgotten, say the Organizations, that there are more high seniority men in commutation service, and that it is these men who must be protected since, after working their way up the seniority roster in this service, they should not be selected for an arbitrary cut in their take-home pay (Employees' Rebuttal Ex. 83, p. 13).

The daily and monthly guarantees, say the Organizations, are a *quid pro quo* which the Carriers have paid to the men for accepting the low mileage-opportunity and other disadvantages of short turnaround service,, hence they should not be allowed to renege on their bargain (Employees' Rebuttal Ex. 83, p. 13).

11. *Reduction of Crews and Adjustment of Mileage.*

Eliminate all existing rules, regulations, interpretations or practices, however established, which prohibit reduction in crews, or assignments, or increases in mileage, in any class of service.

Carriers' Position. In explanation of the instant proposal the Carriers point out that approximately 90 percent of the agreements between Class I line-haul railroads and their conductors and trainmen contain rules prohibiting reductions in the number of crews or increases in mileage in passenger service which would have the effect of decreasing the average constructive mileage paid per crew assigned below such average paid on January 1, 1919, or other specified date. It is further explained that because of awards in certain arbitration proceedings prior to 1919, certain Carriers have been prevented from eliminating constructive mileage which was paid as early as 1919 and 1912. Moreover, the Carriers point out, the National Railroad Adjustment Board has rendered decisions which further restrict the Carriers in the rearrangement, extension, segregation, or division of assign-

ments in passenger service. The rule prohibiting reduction in crews and adjustments in mileage applies only in passenger service.

The net result of these restrictions, the Carriers state, is that numerous assignments in passenger service needlessly involve runs of considerably lesser mileage than the number of miles for which the employees are paid under the minimum day provisions of existing agreements, and the Carriers have been hindered in their efforts to handle efficiently the fluctuations in passenger traffic and avoid the losses of business to competitive forms of transportation (Carriers' Ex. 22, p. 1).

The Carriers state that their instant proposal contemplates the elimination of all provisions now contained in the agreements applying to conductors and trainmen and the nullification of Adjustment Board decisions which prohibit Carriers from reducing the number of crews engaged in passenger train service, increasing mileage of crews assigned in such service, or otherwise rearranging, extending, segregating, or dividing assignments. The adoption of the proposed rule would, the Carriers state, enable the railroads to operate passenger service more economically and efficiently in the public interest. It is their intention, state the Carriers, that the reduction in crews rule shall be abolished in all of its applications and interpretations (Carriers' Ex. 22, pp. 1-2).

According to the Carriers, existing rules contain multiple restrictions on the ability of management to obtain a day's work for a day's pay in passenger train service. Primarily, it provides that the number of passenger train crews in service on January 1, 1919, may not be reduced unless an equivalent amount of passenger mileage is abandoned; secondly, it provides that constructive mileage, meaning mileage paid for in excess of mileage made, may not be absorbed except by the addition of new train service. It must be apparent to everyone, say the Carriers, that all of the improvements which have been made in the past 40 years in railroad equipment and operations will avail the public little or nothing if the Carriers are prohibited from adjusting the labor performance of their train service crews to those improvements (Carriers' Ex. 22, pp. 4, 19-20). In brief, say the Carriers, the existing rule does two things, both undesirable: (1) it forces the Carriers under all but unusual circumstances to continue to pay all of the constructive mileage (or miles not run) that was paid to passenger train service crews in 1919; (2) it prevents the Carriers from combining or reorganizing runs to reduce the number of crews used in passenger

service without a proportionate reduction in the number of train miles operated (Carriers' Ex. 22, p. 4).

It is clear, say the Carriers, that the existing rule, either in its provisions as to reductions of crews, or in its provisions as to the absorption of constructive mileage, serves no legitimate interest of the employees involved. Approximately 200 million constructive miles were paid to conductors and trainmen in passenger service in 1919, the Carriers assert. The extraordinary cost of this constructive mileage, protected by the existing rule, has caused the abandonment of much short-line service, say the Carriers. Considerable branch line service could be restored and existing service protected, employment increased and the convenience of the public served if the reduction in crews rule were abolished, the Carriers declare (Carriers' Ex. 22, pp. 13-14).

The net effect of the existing rule is, say the Carriers, to increase constructive mileage. There can be no doubt, they continue, that the employees regard the rule as a device for increasing constructive mileage wherever possible. The Carriers further point out that unless they are given relief from this "inequitable gift pay" rule the abandonment of more and more short-line service, fewer jobs for passenger train service employees, and less passenger service to the general public must necessarily follow (Carriers' Ex. 22, p. 14).

Organizations' Position. The substance of the Carriers' instant proposal, the Organizations say, is that the employees involved are to be deprived of their benefits under the constructive mile rule, and that this is to be done by arbitrary unilateral action outside the purview of collective bargaining procedures.

There can be no doubt, state the Organizations, that the essential purpose of the Carriers in advancing the instant proposal is to reduce the wages of the employees involved; the men would be required, under the proposed rule, to produce greater mileage for the same pay, resulting in smaller payment per mile of transportation delivered to the Carriers. This, say the Organizations, is nothing more than a disguised pay-cut (Employees' Rebuttal Ex. 84, pp. 1-2).

It is claimed by the Organizations that the original purpose of the existing rule concerning reduction of crews and adjustment of mileage was to prevent an increase in pay from being offset by a readjustment of runs, and that, they insist, is precisely the aim of the rule in the schedule agreements at the present time. However, say the Organizations, the Carriers' instant proposal seeks to readjust the runs upwards without a comparable increase in pay; with the existing protective rule

eliminated, they declare the Carriers would be in a position to do just that (Employees' Rebuttal Ex. 84, p. 3). If, say the Organizations, the existing rule provides what the Carriers characterize as "gift pay," it is evident that that is precisely the kind of pay which the Carriers here seek for themselves, regardless of the legitimate interests of the employees involved (Employees' Rebuttal Ex. 84, p. 3).

It is imperative to keep in mind, say the Organizations, that in advancing the instant proposal for the elimination of all existing rules governing reduction of crews and adjustment of mileage, the Carriers are asking the elimination of a rule that would deprive the employees of vital interests and contractual rights. Indeed, state the Organizations, the primary difficulty with the Carriers' position in the instant matter is their refusal to recognize the legitimate interests of the employees directly concerned. This the Carriers do, declare the Organizations, without the give-and-take of the processes of collective bargaining. All of which adds up to the simple conclusion, say the Organizations, that the Carriers seek to obtain a gift at the expense of the men. This is evident, say the Organizations, from the fact that the Carriers have not approached the representatives of the Organizations on the individual railroads to resolve whatever difficulties, if any, may conceivably be encountered under the existing rule (Employees' Rebuttal Ex. 84, pp. 3-4; Employees' Rebuttal Ex. 79).

12(1). *Road Crews Performing Switching and Right to Establish and Eliminate Yard Engine Service.*

(a) At any station or in any yard where yard crews are not employed or, if employed, are not on duty at the time, road crews in any class of service may be required to do any and all switching. At any station or in any yard where a yard crew or crews are employed and are on duty at the time, a road crew in any class of service may be required to perform any switching in connection with its own train, and in the performance of such work may handle cars of other than its own train; provided, that crews in local or way freight, mixed train, mine run, beet run, transfer, work train, ore and other miscellaneous services may be required to perform any switching regardless of whether or not yard crews are employed.

(b) When switching is performed by road crews as provided in paragraph (a), such work shall be paid for as part of the road day or trip and additional compensation shall not be paid under road or yard regulations for such work. Neither road nor yard service employees may claim pay under yard rules or regulations when such work is performed by road crews.

(c) The Management has the exclusive right to establish and abolish yard service and yard assignments.

(d) All rules, regulations, interpretations or practices, however established, which conflict with the above shall be eliminated.

(Note—This rule shall be incorporated in both the road rules or schedules and yard rules or schedules on Carriers having separate road and yard rules or schedules.)

12(2). *More Than One Class of Road Service.*

(a) A Conductor (Trainman) in any class of road service, however designated and whether assigned or unassigned, may be called in advance, or without advance call may upon or after commencing duty be required, to perform more than one class of service during a single trip or tour of duty; and shall be paid for the entire service performed during said trip or tour at the highest rate applicable to any class of service so performed. The overtime basis for the rate paid shall apply to the entire trip or tour of duty.

(b) All rules, regulations, interpretations or practices, however established, which conflict with the foregoing shall be eliminated.

(c) Where a rule, regulation, interpretation, or practice, however established, more favorable to this carrier exists, such rule, regulation, interpretation, or practice may be retained.

(1) Road Crews Performing Switching and Right to Establish and Eliminate Yard Engine Service

Carriers' Position. In the instant proposal—12(1)—the Carriers propose that points where yard crews are not on duty, road crews in all classes of service may be required to perform all types of switching; and that at points where yard crews are on duty, road crews may be required to perform switching in connection with their own trains. The Carriers also propose that crews in local freight and miscellaneous classes of road service may be required to perform all types of switching regardless of whether yard crews are employed at the stations where the work is to be performed. None of these practices, the Carriers point out, are permissible under existing rules as construed and applied. Current interpretations of existing rules prevent road crews from being used to perform switching in yards where yard crews are assigned at any time of the day, regardless of whether yard crews are or are not on duty at the time the work must be done, the Carriers contend (Tr. 8199; Carriers' Ex. 16, pp. 21-32).

The Carriers also state that it is their purpose under the proposed rule firmly to establish the right of management of the railroads to abolish yard service and yard assignments and require road crews to perform switching at points where such assignments have been abolished. Under interpretations of existing rules road crews may not perform switching where yard assignments have been abolished, the Carriers state (Carriers' Ex. 16, pp. 6-7, 70-77; Tr. 8199-8200). It is the further purpose of the Carriers under the proposed rule to establish the practice that all switching referred to in the rule shall be done without additional compensation other than that paid to the road crews for their regular tours of duty (Tr. 8200).

The Carriers declare that there cannot be the slightest doubt of the merits of the instant proposal. This is evident, they contend, from an even cursory glance at the existing situation which gave rise to their proposal. At hundreds of small yards throughout the United States the Carriers are required to maintain yard crews that work only about one-half of their time on duty (Carriers' Ex. 5, p. 15; Ex. 16, pp. 77-79; Tr. 8200, 4686-89, 6493, 5629-39). Existing rules require the Carriers to pay these yard crews a day's pay each day to perform a few hours of switching that could be more effectively and expeditiously done by the road crews whose trains pass through the yards (Tr. 4700-02). Moreover, say the Carriers, existing rules require road crews to stand idly by doing nothing while they wait for yard crews to become available to switch their trains, thus unnecessarily delaying the movement of trains through the yards (Tr. 3905, 5615-16; Carriers' Ex. 16, p. 19). Even if yard crews were always available at the time their services are required there is no reason why the idle road crews who stand by should not be required to perform the work, the Carriers state. The present practice, which delays the movement of trains and adds many millions of dollars to the cost of the service, is absolutely indefensible, the Carriers contend (Tr. 8201).

Historical reference will demonstrate clearly, say the Carriers, that great difficulties stand in the way of immediate correction of the existing situation in the absence of a new rule, such as is proposed here. In this connection it is stated that the December 1947 Agreement between these Organizations and the Carriers embodied recognition of the merit of the proposal here advanced. That agreement provided that the proposal be "remanded to individual Managements and General Committees for negotiations whereby the last remaining yard assignments in a particular yard may be abolished where yard service requirements have decreased to a point that abolishment is justified" (Tr. 8201; Carriers' Ex. B, p. 488; Ex. 16, p. 81). The following year (1948) Emergency Board 57 recommended that the Carriers and the Operating Brotherhoods join in negotiations for the purpose of correcting the costly and intolerable situation that results from interpretations placed on existing rules involving this matter (Tr. 8201; Carriers' Ex. B, pp. 570-71; Ex. 16, p. 20). In spite of these facts, efforts of the Carriers to work out a solution of the problem, in accordance with the provisions of the 1947 contract and the recommendation of Emergency Board 57 have failed, the Carriers state (Tr. 8202; Carriers' Ex. 16, pp. 81-82).

The Carriers declare that the urgency of the need for the reformation of these rules by the adoption of the Carriers' instant proposal becomes all the more evident if a scheduled 40-hour workweek is established in yard service. If small yards employing one or two crews 6 or 7 days a week are to be placed upon a 5-day week basis, it is imperative, say the Carriers, in the interest of efficiency and economical operation that road crews be permitted to switch their own trains and cabooses (Tr. 8202, 5626-27; Carriers' Ex. 16, p. 2, 67).

The Carriers contend that there is no basis for the belief that the rights of employees would be destroyed by adoption of the instant proposal. For nearly one hundred years, it is stated, the practices proposed by the Carriers were followed on all railroads in this country; and only in comparatively recent years have fictitious and unreal distinctions been drawn between road and yard work, distinctions which have resulted in fanciful and costly allocations of monopoly rights, say the Carriers (Tr. 8203; Carriers' Ex. 16, pp. 37-70).

The Carriers declare that there is no basis for the statement that the instant proposal would limit and restrict the Organizations' rights of collective bargaining. Indeed, say the Carriers, every effort has been made by the railroads to secure reform of these "featherbedding" rules through joint conferences and collective bargaining procedures, but the Organizations have not cooperated in the formulation of an effective solution. Nor, say the Carriers, is there anything inconsistent with the principles of collective bargaining when the Carriers, under the Railway Labor Act, seek to secure the revision of such rules. The Organizations do not, under the principles of collective bargaining, have a right to obstruct joint conferences on proposed changes in rules, nor to veto such changes as are here sought by the Carriers. Indeed, the Carriers point out, Section 6 of the Railway Labor Act specifically recognizes the right of the Carriers to change "rates of pay, rules or working conditions" after compliance with that and other provisions of the Act (Carriers' Ex. C, p. 45; Tr. 8204-05).

It is necessary to remember, the Carriers urge, that socalled seniority rights, of which the Organizations here make so much, exist, as do all other rights, only by virtue of contracts between employer and employee. Relevant here, state the Carriers (Tr. 8206), is a brief filed by the Conductors' Organization in the Supreme Court of the state of Oklahoma, Cause No. 29515, which contains this assertion:

> "In short, there is no vested property right to seniority ranking. The only right in this respect which the individual employee has is that secured

to him by contracts between employer and the union, and is subject to the terms and conditions thereof, including the right to alter, amend or terminate upon specified notice."

The Carriers conclude by pointing out that the existing rules yield abuses that are costing the railroads over $35,000,000 per year (Tr. 8203; Ex. 16, p. 69).

Organizations' Position. The Organization's principal objection to the instant proposal of the Carriers is that there is involved an attempt completely to destroy seniority rights by combining the yard and the road services, rights which have been won through a long period of struggle for their recognition and which have been zealously guarded by the Employees involved in the case before the Board. Seniority rights in the railroad industry are not what the Carriers characterize them to be, namely, a "fallacy," say the Organizations (Tr. 8014; Employees' Rebuttal Ex. 82, pp. 19-32). Nor, say the Organizations, can it be admitted that the Carriers' characterization of a fusion of yard service and road service as a "fallacy" be a valid one; the distinction between yard service and road service is a well-established one, the Organizations believe (Tr. 8014).

It is upon these questions of seniority rights and the distinctiveness of road and yard services that the Organizations in the instant matter place their emphasis. The Organizations state that the Carriers interpret seniority rights to mean only that the employees are entitled to preference among themselves, and that such rights do not extend to the right to the performance of any particular kind of work. With this, the Organizations say, employees take definitive exception; they insist that no authority can be cited that would substantiate the Carriers' views in this matter.

The Organizations assert that the Carriers disregard the established conception that seniority rights in the railroad industry is "a preferential right to perform a certain class of work to the exclusion of all others not holding such seniority in that service." Here and elsewhere, the Organizations cite with complete approval of the opinion of Judge Frank P. Douglas, until recently a member of the National Mediation Board. Following this opinion, the Organizations insist that once established, seniority rights cannot be arbitrarily destroyed, and that yardmen, like other railway employees, have traditionally recognized seniority rights that safeguard their interests in particular kinds of work. Quoting the same authority, the Organizations point out that: "To deny yardmen holding seniority at that point the right to perform all yard service within the limits of that yard, is to arbitrarily take from

them that to which they are entitled" (Employees' Rebuttal Ex. 82, pp. 2-9).

The conclusions of Judge Douglas, say the Organizations, are simply a restatement of the underlying principle running through the agreements between the Carriers and the operating employees' Organizations, a principle recognized and upheld by the many tribunals made up of railroad men representing both management and labor. The Organizations insist that it is fundamental in railroad management-labor agreements, that employees in the different crafts or classes of work shall, in line of seniority, be entitled to the work of their particular craft or class; and that others, not members of that group, shall be excluded therefrom (Employees' Rebuttal Ex. 82, pp. 9-10). The right of seniority, the Organizations declare, is a property right, to be recognized and respected in the railroad industries as elsewhere. Managerial prerogatives to destroy such a right do not exist, it is stated.

The Organizations differ sharply with the Carriers in the matter of fusion of road service and yard service or, in other words, the alleged failure to distinguish between these two classes of railroad service. In support of their position in this matter, the Organizations quote with complete approval the opinion of Dr. William Z. Ripley to the effect that:

> ". . . The primary classification, based upon absolutely fundamental difference, is into two main groups known, respectively, as road service and yard work. The conditions as between these two main groups are so dissimilar that they must be considered quite separately as respects the basis of pay, compensation for overtime, and practically all of the attendant rules and regulations . . ."

This, the Organizations contend, should be sufficient to reveal the untenability of the Carriers' position in the instant matter (Employees' Rebuttal Ex. 82, p. 20).

(2) More Than One Class of Road Service

Carriers' Position. In explanation of the purposes of the instant proposal—12(2)—the Carriers state that the request, if granted, would provide that a road service employee could be required to perform two or more distinct classes of road service during the same trip or tour of duty, and would be entitled to be paid for the entire combined service at the highest single rate applicable to any class of service he had performed; but not on any higher basis such as, for example, a minimum day in each class of service performed. The Carriers are careful to point out that neither the present standard rule, nor the proposed restatement, are intended to have or would have the effect of permitting *road* and *yard* service to be combined, or authorized crews in either kind of service to perform service of the other kind. The combinations

presently permitted, the Carriers indicate, and which would be continued under the instant proposal, are of different classes of *road* service; e.g., freight and passenger, local freight and helper, etc. (Carriers' Ex. 18, pp. 1-2). The proposed rule would, the Carriers further explain, apply for example in any of the following situations:

(a) *An extra or unassigned crew* could be called, and instructed upon or in advance of commencing its tour of duty that two or more classes of service were to be performed during such tour.

(b) *A regular crew* (e.g., on an assigned local freight or bulletined work train) could be instructed, either before or at the point and time of commencing duty, or while en route after the trip had started, to perform some one or more other classes of service not included in the bulletined assignment.

(c) *An irregular or unassigned crew* (e.g., a "pool" crew on a through freight train or the crew on a wreck train) could be instructed, at the starting point or while en route after the trip had started, to perform some one or more additional classes of service.

The Carriers state that presently most of the schedules covering road service employees contain a rule reading substantially as follows:

"Road conductors (trainmen) performing more than one class of road service in a day or trip will be paid for the entire service at the highest rate applicable to any class of service performed. The overtime basis for the rate paid will apply for the entire trip."

The present standard rule governing payment for more than one class of service in a single tour of duty, commonly referred to as the combination-of-service rule, has been misconstrued in connection with the basic day rule to require payments of one basic day for each class of service performed during a single tour of duty, the Carriers assert. Such misconstruction, they say, is contrary to the language, purpose and intent of the rule, but the rule exists and it must be amended to escape serious abuses, the Carriers say (Tr. 8214; Carriers' Ex. 18, pp. 1-25).

It is the purpose of the Carriers to amend the existing rule and interpretations of the rule to permit road train service employees to perform more than one class of service during a single tour of duty at the highest rate applicable to any class of service performed during the trip. The Carriers claim that the proposal is consistent with the language of the present rule, would restore the purpose and intent of the rule, and would reestablish the practice which has prevailed on all American railroads from the beginning of the industry until only a few years ago (Tr. 8215, 5670-72; Carriers' Ex. 18, pp. 1-3, 26-28).

The Carriers contend that: (1) the performance of two or more classes of road service on a single trip is desirable in many situations, and frequently is unavoidable; (2) the existing combination-

of-service rule no longer affords a reliable guide to determine whether different classes of service may be combined without severe penalties; (3) the "escape" agreements do not constitute a reasonable or satisfactory solution to the Carriers' problem, and (4) the proposed rule will provide for proper combinations of road service under conditions fair to all concerned (Carriers' Ex. 18, pp. 26-34).

In support of their position in this matter the Carriers point out that for some 100 years the right of the railroads to require road employees to perform two or more classes of road service on a single trip was recognized and unquestioned. However, say the Carriers, the interpretations of the First Division Adjustment Board make ineffective the existing combination-of-service rule as a guide to the Carriers in determining whether different classes of service may be combined without penalty (Tr. 8215-16; Carriers' Ex. 18, p. 29).

The Carriers state that in order to avoid severe and unjustified penalties assessed through distortion of the existing rule, certain Carriers have entered into "escape" agreements, which are as devoid of merit as the distortions of the rule, but which are sometimes less costly to the railroads. These "escape" agreements, the Carriers insist, do not constitute a reasonable or satisfactory solution of the problem of efficient operations and are as objectionable in principle, if not cost, as the distorted interpretations now placed upon the original rule (Tr. 8216, Tr. 5683-85, 5690); Carriers' Ex. 18, pp. 2-3, 30-31).

It is stated by the Carriers that the Organizations before this Board have conceded that the Carriers' proposed rule would be fair and equitable in its operation except where two classes of service are combined that are governed by different basic day and overtime rules, as, for example, combinations of freight and passenger service (Tr. 8216, 7573-74). However, say the Carriers, all classes of service (including freight and passenger service) were for many years regularly combined and paid for at the highest rate applicable to any class of service performed until misinterpretations of the rule made this impossible. There can be no doubt, the Carriers say, that the instant proposal would restore the original rights of the railroads under the existing rule and would provide for proper combinations of classes of road service under conditions fair and equitable to all concerned (Tr. 5690, 8217; Carriers' Ex. 18, pp. 3, 32-34).

Organizations' Position. It is the contention of the Organizations that the instant proposal, if granted, would give to the Carriers power to combine at will classes of road service, and, consequently

authorize them to abolish or change any job in the road service; all this without paying more than one rate for one class of service. In this connection the Organizations assert that under existing rules, the duties required on any job in the road service are prescribed and legally binding. The Adjustment Board, without referees, has often noted that this is a prime requisite of the seniority system, the Organizations claim. Nor is this a mere fanciful rule, say the Organizations, since men bidding for a job must know what they are bidding for before the assignment can be considered regular. Evidence of the Adjustment Board's opinion in this matter is found in Awards 6358, 6359, and 6360, decided without a referee, and in which it was held that duties of the job must be definite "in order that employees accepting same can determine the compensation due to the assignment and when they may be entitled to extra compensation for service not embraced within the scope of the assignment" (Employees' Rebuttal Ex. 79, p. 53).

It is clear, say the Organizations, that under the proposed rule the Carriers intend to call upon any of the following classes of road service interchangeably without extra compensation: passenger, local freight, work train, through freight, wreck, helper, etc. Under existing rules, the organizations point out, the Carriers are not free to make these combinations without paying extra compensation. The certainty of payment which the Carriers claim as an advantage that would accrue from the proposed rule provides no consolation to the employees involved since this simply means no compensation for any additional duties which may be imposed on them, the Organizations assert (Employees' Rebuttal Ex. 79, p. 54).

14. *Designation of Switching Limits and Use of Yard Crews Outside of Switching Limits.*

(a) The management shall have the exclusive right to designate and change switching limits.

(b) At any station or yard where switching limits are established a yard crew may be required to perform service outside such switching limits, provided that such service is either (1) in connection with or of substantially the same character as one or more of the types of service ordinarily performed by a yard crew or crews within such switching limits, or (2) desirable because of some occasional or unusual situation outside of such switching limits for which a road crew is not immediately available.

(c) Where service is performed by a yard crew as provided in paragraph (b), such work shall be paid for as part of the yard day or tour of duty, and additional compensation shall not be paid under road or yard rules or regulations for such work. Neither road nor yard employees may claim pay under road rules or regulations when such work is performed by yard crews.

(d) All rules, regulations, interpretations or practices, however established, which conflict with the foregoing shall be eliminated.

(Note—This rule shall be incorporated in bothe the road rules or schedules and yard rules or schedules on Carriers having separate road and yard rules or schedules.)

Carriers' Position. In explanation of the instant proposal the Carriers state that the boundaries of the territory within which switching is performed by yard crews at yards or terminals have been established on the great majority of railroads. Such limits, it is pointed out, were usually fixed originally by written regulation or order issued by the Company, or by established practices, but in recent years it has been generally held that inasmuch as changes in switching limits affect the work opportunities of the interested employees, they may not be designated without the concurrence of the employee representatives.

The Carriers' proposal, it is said, proposes to do the following things: (a) eliminate any rule, practice or interpretation the effect of which is to require such consent as a prerequisite to either the creation of switching limits in the first instance or the alteration of the boundaries of existing switching territory, and (b) as a corollary to the foregoing, to provide for the performance of incidental or occasional work (as defined in the proposed specific rule, paragraph "b") by yard service employees outside of switching limits, without the formality of redesignating such limits for the occasion. In brief, state the Carriers, the proposal seeks to restore the original situation with respect to the fixing of switching limits, and the performance of switching service (Carriers' Ex. 17, pp. 1-2).

According to the Carriers' analysis, the issues raised by the instant proposal are: (a) whether the employees in road or yard service should exercise a virtual and unwarranted power of veto, by requiring their consent as a condition precedent before any change may be made in the boundaries of the territory within which a Carrier is obligated to furnish efficient and economical switching service to its patrons; and (b) whether the Carriers shall also be permitted without burdensome penalties to use yard crews outside of switching limits for types of service which they regularly perform inside such limits, and for occasional situations where they can render effective service in the absence of non availability of road crews. Yard crews are to be compensated for services so performed as a part of their yard day or tour of duty (Carriers' Ex. 17, p. 3; Tr. 8207-08).

The Carriers insist that in this matter, as in so many operations on the railroads, there is intolerable featherbedding, inefficiency, waste and injury to the service as a result of interpretations placed

upon existing rules involving the designation of switching limits. In this connection the Carriers point out that the areas within which switching services are required at any point or station vary considerably from year to year and from season to season with changing conditions affecting the nature and volume of traffic. The efficient and economical operation of the service requires that the railroads be permitted to change switching limits from time to time to meet these changing or varying requirements of the service, the Carriers contend. As existing rules are interpreted, the Carriers further state, the Organizations hold an absolute veto power over the right of the Carriers to make changes in switching limits (Tr. 8209, 5650, 5661-62; Carriers' Ex. 17, pp. 18-28). Such veto power is exercised unreasonably, the Carriers declare. This is evident from the fact that in most instances a request of a Carrier to change switching limits results in an outright refusal of one or more of the Organizations even to consider the proposal, the Carriers assert. It is further evident, it is stated, from the fact that in other instances such a request from the Carriers merely provokes demands for unearned tribute as a condition of the proposed change (Tr. 8209-10).

The purpose of the refusal of these employees to cooperate with the railroads in this matter is to create jobs, to provide pay for time not worked, and to obtain more pay for less work, the Carriers declare. As a result of this noncooperation, an industry located a few yards outside of switching limits is denied the advantages of yard service and the Carrier is required to hire a road crew to perform the work that should be done by the yardmen, which usually involves paying the road crew a day's pay for a fraction of a day's work, say the Carriers. The alternative is to lose the traffic to competing transportation agencies, it is stated (Tr. 8210, 5651-60, 5652-3; Carriers' Ex. 17, pp. 18-28).

Relevant here, the Carriers state, is the fact that the Organizations before this Board have recognized that the Carriers should have more discretion in the matter of changing and designating switching limits, because the provisions of the December 1947 Agreement stipulated that negotiations would be initiated on the individual properties with the view of effecting necessary corrections and reforms (Tr. 8210-11; Carriers' Ex. B, p. 488; Ex. 17, p. 35). Even Emergency Board 57 in 1948, which failed to make a definitive decision, recommended further negotiations on the subject, the Carriers point out. Pursuant to both the provisions of the December 1947 Agreement and the recommendations of Emergency Board 57 in 1948 the railroads have attempted to work out these problems through local negotiations, but invariably, say the

Carriers, such efforts have merely provoked unjust demands for tribute and concessions entirely unrelated to the subject matter with which the instant proposal is concerned (Tr. 8211, 5666; Carriers' Ex. B, p. 571; Ex. 17, pp. 35-37).

The Organizations' contention that the Carriers here seek sole discretion in the instant matter is not seriously to be considered, the Carriers insist, since presently such exclusive discretionary power is held by the Organizations themselves and they have abused that power and discretion for selfish and shortsighted purposes in defiance of the public interest. Indeed, the Carriers state, the placement of such discretion in the railroads contains no dangers since the interests of the Carriers are consistent with those of the general public and the long-term interests of the men themselves.

What of the Organizations' other argument that the Carriers' proposal would inevitably issue in changes in switching limits that might increase or decrease the volume of work available to yardmen or to roadmen? The Carriers' answer is that the yardmen and roadmen represented by the Organizations before this Board would still perform all the work that there is to be done, but the fear is, of course, that there might be disturbance of the present distribution of the work. This is not a reasonable or logical objection to the Carriers' proposal, it is stated, since if a redistribution of the work is in the interests of efficient and economic operations those charged with the responsibility under the law for economical and efficient operations should have an untrammeled right to make such redistribution, the Carriers insist (Tr. 8212-13). There is no reason why the management of railroads should not exercise this prerogative, which, the Carriers state, is an established right of managements in all outside industries. The railroads are engaged in providing a public service, and neither these Organizations nor any group of employees of the railroads have or should have any vested right to a job when services are no longer required, or any vested right in any allocation of work that results in waste and inefficiency or which defeats the purpose for which the railroads exist, the Carriers assert (Tr. 8213).

Organizations' Position. Central to the Organizations' position in the instant matter is their emphasis upon the sanctity, integrity and inviolability of seniority rights, which, according to their contention, can be modified only through the established processes of collective bargaining (Employees' Rebuttal Ex. 79, 51-90).

The Organizations seriously question the validity of the Carriers' expressed purposes in the instant proposal, namely: (a) to restore the discretion with respect to switching limits originally

possessed by the management, and (b) to permit Carriers to use yard crews outside switching limits for occasional or incidental services where permanent enlargement of the limit would not be warranted (Employees' Rebuttal Ex. 82, p. 33; Tr. 5647). This statement of the Carriers' purposes is without merit, the Organizations insist. That the extension of switching limits is of primary concern to the yardmen has been amply demonstrated by Adjustment Board decisions, the decisions of the Supreme Court of the United States in corresponding cases, and even by the representatives of the railroads on the Adjustment Board, the Organizations state (Employees' Rebuttal Ex. 82, pp. 33-36).

Established switching limits are a working condition which can be changed only by agreement between the parties concerned, the Organizations assert. In this connection it is pointed out that both Carrier members and Organization members of the Adjustment Board in Award 3075 clearly recognized that arbitrarily to extend switching limits is arbitrarily to change the working conditions of the employees involved. The Organizations insist that this in itself constitutes a violation of the Railway Labor Act which provides:

> "No carrier, its officers, or agents shall change the rates of pay, rules, or working conditions of its employees, as a class as embodied in agreements except in the manner prescribed in such agreements or in Section 6 of this Act."

It is quite evident, say the Organizations, that seniority rights are directly related to the switching limits and their designation (Employees' Rebuttal Ex. 82, pp. 36-37).

The Organizations state that the Carriers and the Organizations are already bound in this matter by the agreement of December 12, 1947. Section 4(B) 2 of that agreement provides the following:

> *"SWITCHING LIMITS*
>
> "Remanded to the individual Managements and General Committees for negotiations which will permit management to change existing switching limits, where yard crews are employed, under certain specified circumstances, as may be agreed upon, to meet conditions on such property to the end that efficient and adequate service may be provided and industrial development facilitated."

This agreement definitely gives the Carriers opportunity for relief, and many have taken advantage of it, the Organizations state (Employees' Rebuttal Ex. 82, p. 42). Moreover, the Organizations point out, this agreement does not deprive the employees of their right to have their interests considered jointly with those of the managements. Negotiations, it is said further, are for the purpose of safeguarding the rights and interests of both parties, consequently the agreement cited did not contemplate giving the Carriers the arbitrary right or power to change switching limits (Employees' Rebuttal Ex. 82, p. 42). The equities involved in any

such adjustment must under the agreement be considered and resolved jointly, so that schedule changes satisfactory to both management and the employees may be negotiated and the interests of both protected, the Organizations state (Employees' Rebuttal Ex. 82, pp. 44-45). It must be remembered, the Organizations urge, that the Carriers have never served notice to abrogate the Agreement of December 12, 1947, consequently, it is still in effect, and that instrument contains the agreement of the parties that the question of extending switching limits is to be handled on the individual properties in the light of existing conditions (Employees' Rebuttal Ex. 82, p. 45).

16. *Reporting for Duty.*

(a) In all classes of road service the Carrier shall designate, by bulletin, call or otherwise, the time conductors and trainmen shall report for duty, and their compensation will be computed from the time so designated or from the time of actual reporting, whichever is later; provided, that in assigned road service where conductors and trainmen have a regular time for reporting for duty, and it is desired, on any day, to deviate from such time, they shall be notified not less than one hour before the earlier time at which they are to report if the reporting time is to be advanced, and not less than one hour before the regular time to report for duty if the reporting time is to be deferred, and in such cases the employee's compensation will be computed from the time actually required to report or from the time of actual reporting whichever is later.

(b) All rules, regulations, interpretations or practices, however established, which conflict with the above shall be eliminated, except that existing rules and practices considered by the Carrier more favorable, are preserved.

Carriers' Position. The substance of the instant proposal is that in assigned road train service where employees have a regular time for reporting for duty, and it is desired or necessary because of operating conditions to deviate from such reporting time, that such employees shall be notified not less than one hour before an earlier time at which they are to report, and not less than one hour before the regular time to report if the reporting is deferred; and that in such cases the compensation of the employees affected will be computed from the time actually required to report or from the time of actual reporting, which ever is later (Tr. 8297-8).

The Carriers point out that the rules generally in effect on railroads in the matter of conductors and trainmen reporting for duty and the time their pay begins are those promulgated by the Director General of Railroads during federal control in Supplement No. 25 to General Order No. 27, reading as follows:

"ARTICLE II—BASIC DAY

"One hundred and fifty (150) miles or less (straightaway or turnaround) shall constitute a day's work. Miles in excess of 150 will be paid for at the mileage rates provided.

"A passenger day begins at the time of reporting for duty for the initial trip. Daily rates obtain until the miles made at the mileage rates exceed the daily minimum."

"ARTICLE XI—BEGINNING AND ENDING OF DAY

"(a) In all classes of service other than passenger, trainmen's time will commence at the time they are required to report for duty and shall continue until the time they are relieved from duty. All advance-call time rules are superseded, and the management may designate the time for reporting for duty."

It is obvious that, under the language of the rules as stated, on roads where these rules are in effect, it is the Carrier's right to designate the time that crews shall report for duty, and that pay begins at that time, the Carriers point out (Carriers' Ex. 30, p. 2). However, say the Carriers, agreements on some railroads contain provisions prescribing the amount of time that crews may be required to be on duty in advance of the time set for departure of their trains. Such provisions are generally applicable to passenger service and the period of time specified is, for the most part, 30 minutes, the Carriers state. In some instances, it is said, the rules call for additional pay on the pro rata or passenger overtime (hourly rate of 1/8 of the daily rate) basis when the men are required to be on duty in excess of the specified period, and in others they do not provide for additional pay. Such rules, however, do not prohibit the Carrier from fixing the time of reporting for duty, or from beginning pay at that time (Carriers' Ex. 30, p. 2). The National Railroad Adjustment Board, First Division, has sustained claims for an extra day's pay when crews of regularly assigned trains were called early, even though the roads had the standard rules quoted above, the Carriers point out (Carriers' Ex. 30, pp. 2-3).

In setting forth their position in this matter, the Carriers state that the purpose of their proposal is two-fold: (a) the Carriers should have complete freedom in determining when road train service employees should report for duty, and should not be required to allow any additional pay simply because the employees resist necessary deviations from fixed starting times, especially in the event the Organizations should be successful in their efforts to obtain a rule requiring additional pay for time spent at the initial terminal; (b) the proposal seeks relief from the penalties that have been imposed by the National Railroad Adjustment Board when the exigencies of transportation service require variation from the normal time of reporting for duty (Carriers' Ex. 30, pp. 3-4).

The Carriers insist that they should not be required to pay twice for initial terminal time. The contention of the Organizations that

more than 30 minutes of initial terminal time can be avoided by postponing the reporting time of crews when trains are late is not consistent with their refusal to permit the Carriers to defer reporting times in such cases, the Carriers state. This is especially so when it is recalled that these Organizations impose and collect excessive penalties in cases where reporting times have been deferred under exactly such circumstances, the Carriers say (Tr. 8298-99; Carriers' Ex. 30, p. 12).

It is important, the Carriers contend, that the railroads be afforded relief from the penalties which have been imposed by the Adjustment Board when the exigencies of transportation service required variation from usual reporting times (Tr. 8299; Carriers' Ex. 30, pp. 5-7, 11).

The Carriers especially called the attention of the Board to the relation of the instant proposal to the Organizations' proposals in the present case, especially the request for an initial terminal delay rule. The Carriers in this connection state that if the Board should recommend additional pay for initial terminal delay time, it should also recommend adoption of the rule proposed by the Carriers which would permit them to postpone the reporting time when necessary. A reason advanced by the employees for an initial terminal delay rule is their claim that it would reduce the time the men are required to be on duty prior to departure from the initial terminal, the Carriers state. Unless the railroads are permitted to postpone the reporting time, when necessary, an initial terminal delay rule would merely result in penalizing the Carriers where no purpose whatever would be served by calling employees at the fixed time for reporting for duty because of unavoidably late operation of trains, the avowed purpose of the employees in seeking an initial terminal delay rule would be nullified, the Carrier declare. In other words, say the Carriers, the employees say they seek their rule to minimize time at the initial terminal, yet at the same time they block the efforts of the Carriers to bring this about (Carriers' Ex. 30, pp. 11-12).

Finally, the Carriers claim that their proposal would remove burdensome and costly restrictions without affecting the guaranteed compensation of assigned employees. Under the awards of the First Division of the National Railroad Adjustment Board, the Carriers say they are faced with the prospect of either paying doubly for required service or else failing to perform such service. In this connection the Carriers point out that the starting time of crews in assigned freight service is so fixed as to protect normal transportation needs and it is only in occasional instances that it becomes necessary to advance the time of reporting for duty of

employees. When conditions change, requiring a different starting time, the assignments are rebulletined accordingly, but, say the Carriers, the railroads can neither foresee nor provide against exigencies that make it necessary and sometimes imperative to vary from the fixed starting time. The need for deferring the time of reporting for duty in both assigned freight and regular passenger service results in most cases from delayed connections, which may be due to adverse weather conditions, accidents, or other traffic interruptions, the Carriers point out (Carriers' Ex. 30, p. 12). Yet the Carriers are penalized for conditions beyond their control, it is asserted.

Organizations' Position. The Organizations assert that because the Carriers dealt sparingly with the instant issue, they themselves have no intention of expanding their own position in the matter. Men in unassigned road service do not enjoy the advantage of a regular time for starting work, their time varying with the fluctuating needs of railway service, the Organizations state. In this service, irregular starting time is accepted as a characteristic of such service. Among the advantages which these men enjoy over the regularly assigned men is that of payment for held-away-from-home terminal time, the Organizations point out (Employees' Rebuttal Ex. 86, p. 1).

On the other hand, say the Organizations, one of the distinct advantages enjoyed by the men in "assigned" service is that of a fixed reporting time. It is this characteristic of "assigned" service that the Carriers here seek to destroy, the Organizations contend (Employees' Rebuttal Ex. 86, p. 1).

To understand the significance of the issue here, the Organizations say it is necessary to comprehend fully the nature of regular service. In this connection the Organizations point out several things: It is universally accepted in railroad service, and not questioned by the Carriers, that bulletins advertising regular assignments must, among other requirements, fix the time for crews to start work; the Carrier determines the fixed reporting time in its discretion, the men participating not at all in this responsibility and function; once the time is established, the men must report promptly or be subjected to severe penalties; such a penalty is accepted without question as an essential part of railroad discipline. If, say the Organizations, reporting time for regular crews were not established, there would be no way of determining their compensation, and they would have no way of knowing what time they spent in carrying out the functions of their regular assignments, and what work came within the category of other than assigned service, for which extra payment is provided by the

rules. Leaving the reporting time of regular crews to the discretion of the management is to make "assigned" service a fiction, assert the Organizations (Employees' Rebuttal Ex. 86, p. 2).

With regard to the Carriers' argument that there is need only occasionally for varying the time of regular crews, the Organizations declare that the very nature of this argument warrants the dismissal of the proposal from further consideration since obviously it does not involve any problems (Employees' Rebuttal Ex. 86, p. 2). Similar treatment is appropriate, the Organizations think, for the Carriers' argument that on occasion "extraordinary requirements of patrons for shipments that are urgently needed in advance" necessitates variations of reporting time of regular assignments. This, say the Organizations, obviously is a managerial responsibility that need not consume the time of this Board (Employees' Rebuttal Ex. 86, pp. 2-3). It can hardly be said, the Organizations state, that the Carriers are so thoughtful and accommodating when they delay the departure of their regular assignments. The substance of the whole matter is, the Organizations declare, that none of the Carriers' arguments warrant granting to the Carriers the arbitrary power to vary regular men's reporting time at all (Employees' Rebuttal Ex. 86, p. 3).

The basic reason for the advancement of the instant proposal is obviously a desire to escape from the penalties that have been imposed by the National Railroad Adjustment Board when the exigencies of transportation service require variation from the normal time of reporting for duty, the Organizations point out, citing Carriers' Exhibit 30, p. 4. It is not the reasonableness of the rules the Carriers complain about, but the inconvenience of abiding by them, the Organizations assert (Employees' Rebuttal Ex. 86, p. 3).

17. *Elimination of Train and Tonnage Restrictions.*

Eliminate all rules, regulations, interpretations or practices, however established, which limit the length of a train, limit the number of locomotives or cars or the amount of tonnage that may be handled in one train, or which provide extra compensation for members of the crew by reason of the number of locomotives or cars or amount of tonnage handled in such trains.

Carriers' Position. The Carriers explain that the instant proposal is related to the Organizations' request that the western wage differential be eliminated. It is essential to understand the relationship of the two proposals in order to comprehend the implications and purport of the request made here, the Carriers make clear. The Carriers point out that the present socalled "differential" between the basic daily rates for train-service (not including engine or yard-service) employees in Western territory, and the

corresponding rates in Eastern and Southeastern territory, is the outgrowth of a settlement voluntarily chosen by the affected western train-service employees in 1928, pursuant to which these employees (1) received an increase in basic daily wage rates of 6½ percent, which was 1 percent less than the increases (of 7½) then recently (1926) made effective for the train-service employees in the East and the Southeast, and (2) retained in the working agreements the socalled "double-header rules" then (and presently) generally included in the working agreements covering train-service employees in the West, but not found in the corresponding Eastern and Southeastern agreements.

The employees' proposal, the Carriers state, is expressly designed to eliminate this long-standing differential in basic wage rates, but notably would not eliminate the "differential" in working conditions whose continuation was then and ever since has been the consideration for the difference in wage levels, for they do not propose to cancel or modify the double-header rules (Carriers' Ex. 32, pp. 1-2).

The Carriers further explain that if their instant proposal were adopted, it would put an end to the double-header rules as well as certain others. It is the Carriers' position that these rules, considered in and of themselves, have long since become outmoded and obsolete, and that no reasons presently exist, if ever they did, upon which the continuance of the rules can be justified. The Carriers also assert that because of the employees' choice in 1928, the double-header rules, so long as they are retained on the western railroads constitute by their presence an absolute barrier to the increase in western wage rates which would result from the elimination of the western differential; and that, therefore, no recommendation can fairly be made favoring that proposal, which does not at the same time contemplate the immediate cancellation of the double-header rules (Carriers' Ex. 32, p. 2). The Carriers strongly emphasize the point that the only reasonable and fair basis upon which the western differential might be eliminated would be upon condition that all higher than standard western rates and all double-header rules be eliminated. Then, it is stated, both the employees and the railroads in the several regions would, in fact, enjoy equal operating conditions and equal rates of pay (Tr. 8303; Carriers' Ex. 32, p. 26).

Organizations' Position. The Organizations reiterate here the basic arguments advanced by them in support of the elimination of the western differential, consequently their positions in regard to the two issues are intermingled. It is contended, first, that there never has been any justification for a territorial differential ad-

verse to train-service employees in the West. It cannot be validly argued, say the Organizations, that the double-header rule was ever tied to the territorial differential, consequently there is no basis for the Carriers' claim here that one cannot be eliminated without elimination of the other. The double-header rule was agreed to a generation before the territorial differential was ever heard of, the Organizations state (Tr. 7959-60). Actually, the Organizations contend, the double-header rule is self-adjusting: where it is still needed it functions, and where it is no longer warranted, it fades out automatically (Tr. 7960; Employees' Rebuttal Ex. 63, pp. 5-6).

The Carriers are inconsistent in their proposal here, the Organizations declare, since they do not propose to eliminate either the mountain or the desert differentials. Obviously, say the Organizations, these differentials exist because mountains and deserts exist and because working in mountains and deserts is more arduous (Tr. 7961). The Organizations reassert their position that, contrary to the Carriers' contention, there is no basic relationship between the elimination of the western wage rate differential and the retention or elimination of double-header rules.

Recommendations on Carriers' Rules Proposals

The rules proposals, submitted by the Carriers, remain for our consideration. After a careful examination of these proposals, and in consideration of the recommendations heretofore made, we recommend that rules be negotiated by the parties to effectuate the following suggestions:

1. Progress and the forces of competition suggest that restrictions on interdivisional runs be eliminated for both assigned and unassigned service. Equitable distribution of the work would protect seniority rights and the only condition to be exacted should be the giving of fair and reasonable notice. (Carriers' Proposal 7).

2. Pooling cabooses should be permitted, and any rule or practice limiting the right of use of cabooses for crews generally, should be eliminated. Of course, proper provision should be made at terminals for locker space or other accommodations for employees who, under present rules, have assigned cabooses, and for the general care and upkeep of cabooses and equipment (Carriers' Proposal 8).

3. There are many rules that require that where carmen are available, trainmen and yardmen are not required to couple and uncouple air, steam and signal hose. We recommend that, where such rules are in existence, the parties should meet and redefine the import and intent of the rule so that its application will be

limited to those situations in which carmen are at the immediate point where the coupling or uncoupling is necessary. It is further suggested that where arbitraries are specified for this specific work, a clause should be added thereto limiting such arbitrary to the member of the crew performing the work (Carriers' Proposal 9).

4. We suggest that the parties include a rule providing that when more than one class of road service is performed in a tour of duty, the rate to be paid for the entire working time shall be the highest rate applicable for any class of service performed (Carriers' Proposal 12(2)).

5. It is suggested that the parties agree that as switching needs expand or contract, management should be permitted to expand or contract such yard limits to conform to the needs of service (Carriers' Proposal 14).

6. Call and reporting rules should be examined and changed so that less time would elapse between the call time and the actual time of commencement of work. This would probably aid the carrier in reducing initial terminal delay time (Carriers' Proposal 16).

It is recommended that rule change requests of the Carriers, not covered herein, be withdrawn.

If the parties are unable to agree upon a rule for any one or more of the above suggestions, then in that event the parties should agree to arbitrate such question or questions.

III. THE YARDMASTERS' CASE

In common with certain other seemingly minor issues in the present case, the issues involving yardmasters represented by the ORC and BRT appear to have become somewhat lost in the presentation of evidence on the more complex problems before this Board. Yet it is clear that this class of employees is seriously concerned in such matters as hours of work and hourly rates of pay for yardmen. It is essential, therefore, to consider such evidence as has been submitted by the parties with regard to the status of yardmasters.

Carriers' Position. The Carriers state that the Organizations have offered no evidence of significance relating to yardmasters, nor has any attempt been made by them to distinguish the situations of yardmasters from the situations of yardmen in so far as the issues before this Board are concerned. That is, the Carriers say, the Organizations have asked for no special consideration of yardmasters in this case (Tr. 8312).

The position of the Carriers is that if this Board should find that any adjustments should be made in the hours of work or hourly rates of yardmen, the Carriers are disposed to agree with the Organizations that yardmasters should receive the same adjustments in their hours of work and the same adjustments in their hourly rates (or their equivalent of hourly rates). The Carriers say that if the Board should recommend against any change in the workweek or in the basic rates of yardmen, it should similarly recommend against any changes in the workweek or basic rates of yardmasters (Tr. 8312).

According to the Carriers, there are two important facts for the Board to keep in mind when considering recommendations on the issues involving yardmasters: (1) yardmasters are monthly-rated or monthly-paid employees (Carriers' Ex. 36, pp. 5-7; Tr. 8313). Because yardmasters are monthly-rated employees and yardmen are hourly-rated employees, different formulas must be used in adjusting the hours of work and rates of pay of the two classes of employees in order to provide the same results. (2) The rules which the Board recommends to effectuate a shorter workweek for yardmen cannot be applied to yardmasters. There are important differences in the nature of the employment of these two classes of employees that make many of the rules that are suitable to effectuate a shorter workweek for yardmen entirely unsuitable and inappropriate to effectuate a shorter workweek for yardmasters (Tr. 1739, 1796-1800, 7413, 8313; Carriers' Ex. 36, pp. 9-10). Disregard of these two sorts of differences would, the Carriers point out, result in an extremely serious situation for the railroads (Tr. 8314)*.

The Carriers state that during the first 10 months of 1949 the Class I railroads of the United States employed (based on the mid-month count) 70,933 yard conductors, yard brakemen and switchtenders, and 44,073 yard engineers, firemen and hostlers, making a total for the yard train and engine service forces of approximately 115,000 employees. During the same period, the Carriers show, the Class I railroads employed 4,485 yardmasters and 1,421 assistant yardmasters, or a total of 5,906. That is, say the Carriers, there are almost 20 yard train and engine service employees for every yardmaster or assistant yardmaster (Carriers' Ex. 36, p. 1).

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* Carriers' proposals for changes in existing rules to implement a shorter workweek for yardmen are found in Appendix A to Carriers' Ex. A, and are discussed in a *Brief* filed with the Board by the Carriers. The Carriers' proposals for changes in existing rules to implement a shorter workweek for yardmasters are found in Appendix B to Carriers' Ex. A, and are discussed in Carriers' Ex. 36, pp. 9-17.

The Carriers show that, according to Interstate Commerce Commission data, a distinction is drawn between yardmasters and assistant yardmasters, but that in practice it is not always possible to define the line of demarcation between these two categories of positions. In some instances, it is stated, assistant yardmasters receive more pay than do yardmasters, consequently, the term "yardmasters" used in the present discussion by the Carriers refers to both yardmasters and assistant yardmasters (Carriers' Ex. 36, p. 1).

The Carriers call the Board's attention to the fact that in their Proposition No. 1, relating to the 40-hour workweek and the time and one-half rates for Sunday and holiday work for yard service employees, the Organizations include yardmasters and assistant yardmasters within the scope of the phrase "all classes or crafts of yard service employees, including affiliated crafts or classes." In the judgment of the Carriers, yardmasters and assistant yardmasters are not yard service employees, nor yet are they nonoperating employees; rather they are subordinate officials who supervise both operating and nonoperating employees. This fact, the Carriers state, was recognized by the Railroad Yardmasters of America (which represents the majority of all yardmasters) in an excerpt from a letter dated January 2, 1944, addressed by Mr. W. G. Schoch, President of the Organization, to the President of the United States in connection with the 1943 wage demands:

> "We submit, Mr. President, that pardmasters are a separate and distinct class of employees; they are considered and classed as subordinate officials, which really means that they are neither bona fide 'employees' in the usual sense of that term nor are they officials, yet they exercise supervision over many employees, operating and non-operating, alike."

Furthermore, say the Carriers, in the *Order of Railway Conductors of America et al.* v. *Swan et al.*, 329 U. S. 520 (1947), the U. S. Supreme Court held that yardmasters were not "yard-service employees" within the jurisdiction of the First Division of the National Railroad Adjustment Board, but came within the "catch-all" jurisdiction of the Fourth Division of that Board. The Court found in part as follows (pp. 526-27 of its decision):

> "All of the witnesses who testified at the hearing agreed that yardmasters are functionally different from other employees working in yards due to their supervisory activities and responsibilities. The evidence also indicated that yardmasters have supervision over some who work within the yards but who are not spoken of as 'yard-service employes,' such as storekeepers, section men and clerks. On the crucial point, there was substantial agreement among the witnesses that yardmasters are not commonly designated in railroad parlance as 'yard-service employees,' that term being reserved for the yardmen described in the stipulation who work under the supervision of the yardmasters."

The Carriers show that during the month of September 1949, there were 5,774 yardmasters employed by the Class I railways, that of this total, the Trainmen represented approximately 743 or 12.87 percent, and the Conductors represented about 185 or 3.21 percent, the great majority of Yardmasters (62.33 percent) being represented by the Railroad Yardmasters of America (Carriers' Ex. 36, p. 3).

According to the data submitted by the Carriers, it appears that the average straight time rates and the hourly earnings of yardmasters are substantially higher than those of any of the classes of yard operating employees. These data also show, the Carriers state, that, as in the case of the yard operating employees, there has been no substantial reduction in the number of yardmasters employed over the years. During the year 1949 there were 5,861 yardmasters employed as compared with 5,945 during the last six months of 1921 and 6,042 in 1922, Carriers' evidence shows (Carriers' Ex. 36, p. 4).

The Carriers call special attention to the rates of pay considered relevant here. Generally speaking, it is said, yardmasters covered by agreements held by the Conductors and Trainmen work on the basis of 6 days a week, 8 hours per day, and their monthly rates of pay range from $352 to $462, and the average is about $415. There is no standard or uniform rate or basis of rates for yardmasters, the Carriers assert; they not only vary as between railroads, but vary even on the same railroad. They were fixed and negotiated on the basis of the conditions surrounding each individual job, it is stated.

Following termination of federal control of the railroads, the Carriers show, the United States Railroad Board in Decision No. 2, effective May 1, 1920, provided for an increase of 15 cents per hour for yardmasters; Section 3 of Article 13 of that decision provided: "For employees paid by the month, add 204 times the hourly rate specified to the monthly rate." There was no uniformity in wage adjustments for yardmasters during the period 1921-1936, the Carriers state.

According to the Carriers, beginning in 1937, the yardmasters represented by the Conductors and Trainmen received the following increases in monthly rates, all of which increases were determined by multiplying the cents-per-hour increases granted to the operating employees by 240 hours (based upon 8 hours per day, 30 days per month). In other words, state the Carriers, the railroads continued to apply the cents-per-hour increases to yardmasters on the basis of 240 hours a month, notwithstanding the fact that in the meantime (particularly in more recent years) the

workweek of the yardmasters on practically all the railroads represented by the Conductors and Trainmen was reduced to a 6-day 48-hour basis. Even the last wage increase, namely, the third-round increase of 10 cents per hour which was granted to operating employees in October 1948, was accorded to yardmasters on the basis of 240 hours per month, despite the fact that almost all of them were working only 8 hours per day, 6 days per week, which is equivalent to 208⅔ hours per month, the Carriers say (Carriers' Ex. 36, pp. 6-7).

The foregoing wage data obviously are preliminary to the Carriers' suggested rates of pay adjustment in case the 5-day 40-hour workweek is recommended. The Carriers insist that there is no more justification for the workweek of yardmasters being reduced to a 5-day 40-hour basis than there is in the case of the yard service employees. If, however, say the Carriers, this Board should recommend a reduction in the yardmasters' workweek, then in all cases where the basic monthly rates of pay of yardmasters comprehend 48 hours of work per week, such rates should be reduced by one-sixth, and to the resulting amount should be added—on the basis of 200 hours per month—the increase in cents per hour, if any, that may be recommended by the Board for yard service employees. The Carriers explain that the 200 hours is one-sixth less than the 240 hours on which the cents-per-hour increases have been based since 1936, and is 26 hours more than the 174 hours which the yardmasters would actually work on a 5-day 40-hour week basis (Carriers' Ex. 36, p. 7).

The Carriers also explain that under the present basis of applying increases to yardmasters, the 240 hours include payment for holidays, the same as any other day. Likewise, the proposed 200-hour basis for the future would include payment for holidays, it is said. The Carriers state that should this Board recommend the payment of time and one-half for service performed by yardmasters on holidays, then the holidays should be excluded and the 200-hour basis reduced proportionately by 4⅔ hours to 195⅓ hours (4⅔ hours is obtained by multiplying the 7 holidays by 8 hours and dividing the result by 12 months).

The Carriers, pursuing their adjustment formula still further, point out that in one or two instances where the present basic monthly rates of pay comprehend more than 48 hours of work per week, the reduction to be made in the monthly rate should be on a basis proportionate to the one-sixth reduction proposed for those rates which are based upon 48 hours of work per week. Thus, for example, where the present monthly rate is based upon 56 hours of work per week, the reduction should be two-sevenths,

and to the remaining amount should be added the same increase in cents-per-hour as is recommended for the yard service employees, but based on the aforementioned 200 or 195⅓ hours per month.

According to the Carriers, a small number of the yardmasters represented by the Conductors and Trainmen are, like the yard service employees, on a daily-rated basis. The Carriers propose that the daily rates of such employees be increased by eight times the amount, if any, in cents-per-hour as the Board may recommend for the yard service employees. Since these yardmasters are not paid on a monthly basis, they are not involved in the adjusment mentioned in the preceding paragraphs concerning reduction in basic monthly rates or the number of hours to which the increase, if any, in cents-per-hour is to be applied, the Carriers state (Carriers' Ex. 36, p. 8).

In addition to these suggested bases of adjustment in case the 40-hour workweek is recommended, the Carriers set forth changes in rules to govern the shorter workweek for yardmasters. These appear in Carriers' Ex. 36, pp. 9-17.

Organizations' Position. The Organizations state that it is their position that yardmasters on the 72 railroads for whim the ORC and BRT hold contracts are operating employees, as "properly defined by the Leiserson Board" in the nonoperating employees case. With but few exceptions, the Organizations explain, the yardmasters come from the ranks of yardmen and these Organizations (ORC and BRT) protect their seniority as such, that is, as yardmen. Moreover, say the Organizations, it is the definitive purpose of these Brotherhoods to insist that in the present case the yardmasters shall receive the same benefits as their fellow workers, the yard conductors (foremen) and yard brakemen (helpers).

Once the 40-hour workweek principle is adopted for yardmasters, the Organizations state, there will be no difficulty in writing rules properly applying to yardmasters. The Organizations remind the Board, however, that the rules contained in appendix "B" of Carriers' Ex. A were never discussed with the Brotherhoods before this Board and, consequently, they insist, are not properly before the Board now. The Organizations take the position, they explain, that neither this Board nor any other set up under the provisions of the Railway Labor Act, could make recommendations on an agreement that had never been discussed in conference between the interested parties (Tr. 7413-14).

With regard to the status, coverage and representation of yardmasters as a craft group, the Organizations present in con-

siderable detail the consistent activity of the Brotherhood of Railroad Trainmen in behalf of these employees, whom they point out are classified in the Transportation Department, not in the Mechanical Department or Maintenance of Way Department, according to the determination of the Director General in his finding dated September 16, 1918. Not only do the Organizations point out that yardmasters are properly to be regarded as operating employees, but that settlements in behalf of yardmasters reached through other organizations which represent this group of employees have followed the "pattern" set by the settlements of the ORC—BRT (Employees' Ex. 35, pp. 3-5).

A class of employees analoguous to yardmasters, especially as to historical classification, is the class known as train dispatchers, the Organizations point out, and this fact, they say, has significance in the instant consideration of the 40-hour week and wage rates for yardmasters. In this connection it is stated that shortly after April 10, 1948, when the nonoperating organizations filed formal requests upon practically all railroads in the United States for an increase in wage rates and the establishment of a 40-hour workweek, the train dispatchers likewise served similar notice. The train dispatchers' case was not handled through an emergency Board, but a settlement was negotiated in which the Carriers voluntarily agreed to an increase in wage rates and the establishment of a 40-hour workweek for train dispatchers, the Organizations state. This presents an anomalous situation, the Organizations contend, since one craft, the train dispatchers, historically regarded as analogous to yardmasters, now enjoys the benefits of a 5-day workweek which the other craft, which should receive the same treatment (the yardmasters) are without such benefits because an emergency board was in doubt about the status of yardmasters (Employees' Ex. 35, pp. 6-7).

In order to obviate the difficulties that confronted Emergency Board 33 in 1946 in the matter of the demands for the yardmasters submitted by the BRT, the Organizations state that they will have no trouble in working out with the Carriers a complete set of rules covering the application of the 40-hour, 5-day, workweek for yard service employees, including yardmasters (Employees' Ex. 37, p. 12, and Appendix I).

It is the judgement of the Organizations that this Board cannot consistently deny to the yardmasters what it may determine to grant to yard service employees in the instant case, nor can the Board disregard the decision in the nonoperating employees' case. Starting with September 1, 1949, it is stated, the nonoperating employees working under the direction and supervision of the

yardmasters have been enjoying the benefits of the 5-day workweek. Yard clerks, record clerks, rate clerks, bill clerks, crew callers and all other clerical employees comprising the clerical force of a yardmaster's office, as well as telegraph and telephone operators are working 5 days a week, the Organizations point out. Other nonoperating employees, such as car inspectors, train dispatchers, section foremen, section laborers and others with whom the yardmaster is closely associated in the performance of his work likewise have been enjoying the benefits of the 5-day week since September 1, 1949, the Organizations remind us. Moreover, say the Organizations, for their 5 days service (40 hours) these nonoperating employees are receiving the equivalent of 48 hours pay, consequently, it would be unjust and inequitable to deny yardmasters the benefit of the shorter workweek (Employees' Ex. 37, p. 13.).

In summation, the Organizations point to the following facts in substantiation of their request for yardmasters (Employees' Ex. 37, pp. 13-14) :

(1) Yardmasters predominantly come from the ranks of yard service employees.

(2) A man who is promoted to the position of yardmaster should not be demoted insofar as his hours are concerned; otherwise the entire schedule structure becomes ill-balanced.

(3) In all justice and fairness, a uniform rule governing the hours of work for yardmasters should be made applicable to them as well as to all other yard service employees, in lieu of the present range of hours of from 48 to 84 hours per week.*

Discussion

The yardmasters in this case request a 5-day week of 40 hours with no reduction in their weekly or monthly pay.

This class is supervisory in character and directs the activities of various classes in maintaining service in the yard. The yardmaster supervises the train and engine service crews within the yard, but his duties are not confined to such crews or to the traffic which they handle.

At present most workers under his jurisdiction are working 40 hours per week. In this report a recommendation is made with reference to yard service employees. Nevertheless we do not believe that the yardmaster should be placed on a strict 40-hour basis.

If yardmasters are placed on a 5-day week basis, their position will be substantially the same as those whom they supervise.

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*Most of the men are now down to only 48 hours, fully 96 percent having a 48 hour workweek, the Organizations stated.

On the matter of adjustments in the hourly rate for this class of work, it is necessary to take note of the rates paid to other supervisors and subordinate officials and likewise to evaluate the relative position of this occupation in the past, the present, and when an adjustment is granted, to the end that this Board may keep such rates in their proper relative position.

It is claimed by the employees that upon the granting of the 40-hour or 5-day week, the maintenance of take-home pay is essential and that a 20 percent increase is justified. It is asserted that in a great number of cases the full take-home pay was given the employees upon the grant of the shorter week. This is disputed by the Carriers who claim that the greatest amount that can be granted to the employees, upon the reduction of eight hours per week, is 13.7 cents per hour.

This Board has examined the evidence, has checked the charts submitted and concludes that a true appraisal of all the evidence justifies an increase in the hourly rates of 18 cents, when the work hours are reduced one-sixth.

In the case of yardmasters this will reduce their basic hours from 240 to 200, but they will work but 5 days out of each 7 days.

This increase in the hourly rate will not be sufficient to maintain salaries at their present level, but it will cushion the pay loss occasioned by changing from a 6 to a 5-day week.

In effectuating a 5-day week in conformity with the conditions of this report, it will be necessary that both the salary and hours of yardmasters be reduced one-sixth. The hourly increase recommended by this report should be multiplied by 200 and the figure thus obtained should be added to the reduced monthly salary.

The hourly rate would then be 1/174 of the monthly rate. The daily rate could be ascertained by multiplying the monthly salary by 12 and then dividing the result by 261.

Rules.—While the parties can, beyond doubt, negotiate workable and satisfactory rules to implement the drastic change indicated above, it is the opinion of this Board that we should point out some of the rule features that must be considered in the conferences to be held between the parties subsequent to the making of this report. We therefore suggest the following:

Existing assignments should be reduced to a five-day basis and the parties should endeavor to work out schedules that will meet the practical necessities of the service. Notice of rest days for each assignment should be given in some convenient form. All changes in assignments should be made in accordance with the rules and practices now in effect. The workweek should be defined as beginning on the first day of the assignment, but for unassigned yard-

masters the workweek could be made the calendar week. The right to stagger working assignments should be written into the rules. The carrier should be permitted to compress work on the two relief days of the week so that the shortened week may be attained without burdensome and unnecessary costs, but where relief assignments are necessary to maintain the service on relief days of regular assignments, the employees assigned thereto will be compensated in accordance with the appropriate rules of the agreement. Where relief requirements regularly consist of 5 days per week, relief yardmaster positions shall be established by assignment. Necessity should be the governing factor. The carrier should be permitted to assign non-consecutive rest days whenever consecutive rest days would cause or necessitate working any yardmaster in excess of 5 days in 7. It should be agreed that time beyond the 5-day week would be compensated at time and one-half excepting when moving from one assignment to another, or when rest days are being accumulated. It should be plainly stated that extra or unassigned men who, as such, work as relief men for the regular holder, shall be given all the benefits and detriments of the regular assignment during the time he is filling the same. This should apply regardless of the reason for the vacancy in the regular assignments. It will be necessary to reduce sick leave and paid vacations by one-sixth.

The Board feels that the above discussion of pertinent changes in rules should be sufficient and that little difficulty should be experienced in negotiating rules to effectuate the changed workweek.

Findings and Recommendations

After examining all the evidence submitted in this case, the Board now submits the following findings and recommendations:

1. That a 5-day workweek is feasible for yardmasters and that it should be adopted.

2. That the salaries of yardmasters should be reduced one-sixth.

3. That the sum of 18 cents should be added to the hourly rate of yardmasters. This increase to be figured on the new rate and determined according to the formula set out above.

4. The suggested increase in the hourly rates of yardmasters should place their rates and earnings in their proper position when considered in the light of comparative studies of the relative rates of other supervisory officials of the same or equivalent grade in the railroad industry, and the relative rates of those whom they supervise.

5. The recommendation of this Board is that the suggested change be made as of October 1, 1950. It is felt this will give ample time to make all necessary arrangements both as to assignments

and rules. It is the feeling of the Board that the rule changes should be made by negotiations and in conformity with our suggestions contained in the above discussion.

IV. FINANCIAL ASPECTS OF THE CASE

It is the Carriers position that while this is claimed by the Organizations not to be a wage controversy (Tr. 33), each of the proposals advanced by the Organizations in the present case would increase the rates of pay and earnings of some or all classes of conductors, trainmen and yardmen, and the combined effect of these proposals would increase the compensation of certain of these employees by as much as 80 percent (Carriers' Ex. 31, pp. 1-2).

The Carriers contend that the employees' demand for a 40-hour workweek with the maintenance of take-home pay would cost the Carriers $63,500,000 each year, while the demand for penalty pay for work on Sundays and holidays would cost $18,500,000 a year. The changes demanded by the Organizations in the passenger service basic day and overtime rules would cost the Carriers nearly $60,000,000, it is stated. The graduated rates of pay proposal would entail almost $46,000,000 a year, the proposal for expenses away from home would add nearly $60,000,000 a year to the wage bill, and the proposed terminal delay rule would cost more than $28,000,000, the Carriers point out (Tr. 8316; Carriers' Ex. 31).

The total cost of the Organizations' proposals would be $281,500,000 per year, the Carriers state. But cost figures presented to the Board do not show the overlapping effect or pyramiding effect of these proposals in terms of transportation costs, the Carriers state (Tr. 6614-16, 8316-17). While the Carriers say that it is difficult to estimate these additional costs, they think it safe to say that the total "package" demanded by the Organizations would cost the Class I Carriers at least $290,000,000 a year (Tr. 8317).

This extraordinary cost, amounting to two-thirds of the total net income of Class I railroads during the year 1949, say the Carriers, is merely the cost of the demands presented by the Organizations before this Board (Tr. 8317; Carriers' Ex. 38, Appendices 5 and 29). These Organizations, the Carriers point out, represent only 58 percent of the operating employees of the American railroads and less than 13 percent of the total workers in the industry (Carriers' Ex. 10A, p. 1). Nor must the Board forget, the Carriers declare, that other groups of employees are

currently engaged in wage and rules movements which will pyramid the operating costs of the railroads.

The estimated annual cost of the Organizations' proposals before this Board are summarized by the Carriers as follows (Carriers' Ex. 31, p. 1):

PROPOSAL	Estimated Annual Cost
48 Hours' Pay for 40 Hours' Work	$ 63,400,000[a]
Rates of Pay for Yard Service Employees	1,400,000
Penalty Pay for Work on Sundays and Holidays in Yard Service	18,600,000
Rate of Pay for Car Retarder Operators	30,000
Rate of Pay for Footboard Yardmasters	312,000
Basic Day and Overtime Rule in Passenger Service	50,350,000[b]
Overtime Rate in Passenger Service	6,850,000
Allowance for Handling United States Mail	2,970,000
Graduated Rates for Conductors and Trainmen in Road and Yard Service	45,871,000
Pay for Expenses Away from Home	59,740,000
Additional Pay for Initial Terminal Time	28,100,000
Elimination of the Western Wage Differential	740,000
Rates of Pay and Working Conditions for Dining Car Employees	3,132,000[c]
Total	$281,495,000

The Carriers lay considerable stress on their inability to meet the increased costs of operation indicated as resulting from the demands of the Organizations in the instant case, to say nothing of additional costs that would result from the granting of the requests submitted in behalf of employees not before this Board. In great detail the Carriers set forth the critical position faced by the railroads in attempting to meet accumulating maintenance and operating expenditures. These details can only be summarized here.

The Carriers assert that the present and prospective financial condition of the Class I railroads of the United States demonstrates conclusively the imperative need for keeping the operating costs of those railroads at a minimum. Notwithstanding the heavy investments made by the railroads in improvements to plant and equipment and the great increase in efficiency over the years, the earnings of the railroads are very inadequate, the Carriers declare. If, say the Carriers, the railroad industry is to provide the safe, adequate, economical and efficient service required in the interest of the public and contemplated by the National Trans-

[a] Includes $3,600,000, indirect costs (taxes, etc.)
[b] Includes 1,750,000, indirect costs (taxes, etc.)
[c] Includes 57,000, indirect costs (taxes, etc.)

portation Policy (as declared in the Transportation Act of 1940) unit operating costs must be kept within reasonable bounds and the railroads must be relieved of restrictive rules, interpretations and practices which not only add materially to operating costs, but also result in uneconomical and inefficient service (Carriers' Ex. 38, p. 1).

The Carriers declare that the Class I railroads of the United States as a group are not now enjoying, and have not been enjoying, from an earnings standpoint, the postwar prosperity experienced by industry in general. In 1949, the Carriers point out, the railroads' return on net assets was only 3.2 percent as compared with an average return of 13.8 percent for manufacturing corporations; 13.5 percent for mining and quarrying corporations; 13.2 percent for trade; 9.4 percent for service and construction; and 9.4 percent for finance (Carriers' Ex. 38, p. 3, and Appendix 1).

It is further stated by the Carriers that during the five-year period 1926-1930, the gross revenues of the railroads averaged $6,038 million per year, net railway operating income averaged $1,115 million per year, and net income after all charges averaged $738 million per year. In contrast, say the Carriers, while the postwar gross revenues (1946-1949) have increased to an average of $8,641 million per year, net railway operating income has declined to an average of $772 million and net income to an average of $475 million. In other words, say the Carriers, notwithstanding all the gains in productivity to which the Organizations before this Board have referred (Employees' Exhibits Nos. 8, 8A, 9 and 10) and notwithstanding a 43 percent increase in the average yearly gross revenue over that taken in during the 1926-30 period, the average yearly net income of the railroads in the postwar period has been one-third less than that earned during the 1926-30 period. This is convincing evidence of the fact that the gains in productivity have not resulted in any increase in net income to the railroad industry (Carriers' Ex. 38, p. 4).

Increasing cost of operation and maintenance has adversely affected the financial position of the railroads, the Carriers state. This is evidenced in the fact that as compared with an average return of 4.76 percent for the years 1926-1930, the returns in the postwar years were only 2.75 percent for 1946, 3.41 percent for 1947, 4.24 percent for 1948, and 2.91 percent for 1949 (Carriers' Ex. 38, p. 5).

Interstate Commerce Commission data indicate, the Carriers remind us, that the value of property in common carrier service of the Class I railways is estimated at $20,978,646,326 as of January 1, 1948. Costs of operation in 1949 were significantly

higher than in 1948, it is stated. Even if the rate of return for 1949 were based on the rate making value found by the Commission on January 1, 1948, the rate would be only 3.27 percent, the Carriers say. But, say the Carriers, the Commission has found that in a "constructive normal year" the railroads should earn a return of 5.9 percent on rate making value, or a net railway operating income of about $1,217 million per annum. Such a rate of return, the Carriers state, has not been realized, the railroads currently earning only about one-half of that amount. Indeed, say the Carriers, the rate of return earned in 1949 (2.91 percent) was only slightly greater than the 2.56 percent earned in 1939, despite the fact that the gross revenues of 1949 were more than double those of 1939 (Carriers' Ex. 38, p. 6).

Of considerable importance in comprehending the financial situation in which the railroads find themselves, it is helpful to examine the relationship of railroad operating expenses to total operating revenues, generally referred to as the operating ratio, the Carriers state. In this connection it is pointed out that from 1926 to 1945, a period of 20 years, the operating ratio only once exceeded 77 percent, and that was in 1945. During the postwar years, however, the operating ratio has continuously exceeded 77 percent, and in 1949 it averaged 80.32 percent. This ratio for 1949 is higher than that for any other year except 1921 and 1946 (Carriers' Ex. 38, p. 6).

These data clearly indicate a narrowing margin of profit, the Carriers say, because the greater the operating ratio, the smaller the margin between operating expenses and operating revenues. Another measure of the narrowing margin is the proportion of the average dollar of railroad gross revenues retained as net railway operating income, and as net income after charges. Net railway operating income per dollar of gross averaged 18.5 cents during the years 1926-1930. The ratio decreased to 14.5 cents per dollar of gross during the five years 1936-1940 and averaged 14.4 cents during the war period 1941-1945. It has fallen to an average of only 8.9 cents per dollar in the four-year postwar period, and in 1949 was only 8.0 cents (Carriers' Ex. 38, p. 7).

The net income ratio, which averaged 12.2 cents per dollar of gross for the five years 1926-1930, disappeared entirely during the depression, averaged only 8.4 cents per dollar during the war, and declined to 5.5 cents for the four postwar years. In 1949, it was only 5.1 cents per dollar, the Carriers state. When railroad traffic volume goes up, the margin of profit should go up, but the decline in the margin of profit reflects the great extent to which wages,

prices of materials and taxes have risen, the Carriers explain (Carriers' Ex. 38, p. 7).

What are the factors responsible for the inadequate earnings of the railroads indicated by the preceding data? The Carriers state that the following play the most important part: (a) The declining volume of traffic, both passenger and freight, from the war level; (b) substantial increases in operating costs, including wages and payroll taxes; (c) inability of the railroads to increase their rates and charges by a sufficient amount to offset the declining volume of traffic and increases in operating costs; (d) increased competition from other agencies of transport; (e) declining share of the railroads in the national economy. The importance of each of these factors is indicated by statistical evidence submitted by the Carriers (Carriers' Ex. 38, pp. 11-15).

The railroad passenger services are being conducted at a loss, the Carriers state. In each of the years 1936 to 1941, inclusive, the passenger services were operated at a substantial net operating deficit, it is shown. During the years 1942 to 1945, however, the passenger service showed a net operating income averaging $208.3 million per year, due to the heavy wartime passenger traffic. During the postwar years, 1946, 1947, 1948, 1949, deficits again were experienced, the loss figures being as high as $427 million in 1947, $560 million in 1948, and $650 million in 1949, the Carriers state.

Those who own America's railroads are experiencing meagre returns, the Carriers point out. During the five years 1926 to 1930, the railroad dividends averaged 5.56 percent per year on total outstanding stock, but the dividend rate then fell to an average of 1.80 percent during the years 1931 to 1940. During the war, the amount and rate of dividends were considerably below those for 1926-1930, the rate averaging only 2.76 percent. The corresponding rate was 2.92 percent in 1946, 3 percent in 1947, 3.65 percent in 1948, and 3.18 percent in 1949.

1950 gives no greater promise for an improved financial situation for the railroads, the Carriers assert. If the railroads are to recover financial strength, it is imperative that they become "dynamic and progressive," say the Carriers. This in turn, they state, requires that the best facilities and service be provided for the public at the lowest possible cost. But it also requires, the Carriers declare, that wages of railroad employees be kept within reasonable bounds and that all unsound make-work rules, interpretations and practices be eliminated (Carriers' Ex. 38, p. 20). In an effort to improve plant and equipment, it is stated, Class I railroads have invested more than $17 billion in new and better

equipment and in improvements to roadways and structures since 1921, and during the past ten years alone, expenditures for additions and betterments have exceeded $7 billions (Tr. 7123-24).

With regard to the report issued by the National City Bank of New York, titled "Net Income of Leading Corporations for the Years 1948 and 1949," quoted by the Carriers, the Organizations called attention to the fact that in that report the book net assets of Class I railroads at the end of 1948 was $13,725,192,000. The implication of the Organizations, clearly indicated by cross examination, is that there is a discrepancy between the Interstate Commerce Commission's property evaluation of $20,978,-646,326 for Class I railways as of January 1, 1948, and the Bank's book net assets figure of $13,094,224,000 for the same date.

The Organizations further point out that the report referred to indicates that while the return on net assets for 1949 was only 3.2 percent, the margin of profits on sales was 5.1 percent, which is, the Organizations insist, a comparatively good showing when one examines other industrial groups in the list. The Organizations point out that the Transportation Group as a whole earned only 4.8 cents on a dollar of sales for 1949, compared with the Class I railroads 5.1 cents (Tr. 7281; Employees' Ex. 56). The Carriers' answer was that the same exhibit shows that while in 1949 the average percent return on net assets for all industries listed was 11.0, compared with 3.2 percent return on the net assets of Class I railroads.

Discussion

There is an unmistakable relationship between costs of operation and the capacity of an industrial and business enterprise to provide employment opportunities, produce a reasonable return on investment capital, pay taxes, and provide for depreciation and obsolescence. Lack of ability to pay is, of course, not an adequate reason for the continuance of substandard levels of wages, excessively long hours of work, and unsatisfactory conditions of employment. No such unfavorable conditions are present in the railroad industry, although some adjustments may be necessary to bring this industry abreast of standards set in other advanced industries.

Costs are of primary importance in a corporation's capacity to survive and prosper, on which the availability of jobs and a reasonable return on investment depend. It is important to remember that costs of operation and sustained employment are not separable items in the balance sheet of an enterprise. An unbalanced relationship between costs of operation and income soon discourage investment of new capital upon which railroads, like other

forms of enterprise, depend to provide the improved equipment and facilities that are so necessary if the railroads are to meet successfully the increasingly severe competition of other agencies of transportation and provide the shipping and travelling public with acceptable services at acceptable prices, upon which income and jobs depend.

The Carriers' estimate of $281,495,000 as the total addition to direct annual costs that would result from approval of all of the Organizations' proposals in the present case remained unchallenged in these hearings. It is necessary to remember also that additional millions of expenditure are involved in demands presently being pressed by organizations that are not before this Board, including the engineers, the firemen and enginemen, the switchmen, the yardmasters, the Pullman conductors, and the maintenance-of-way employees. This Board would be derelict in its duty if it did not take cognizance of the financial problem which confronts the railroads in this situation.

The evidence shows that the Class I railroads' return on net assets in 1949 was only 3.2 percent. This is slightly less than the average for the entire group of transportation agencies considered in the report cited. It is true, of course, as the Organizations point out, that on what is described as percent of margin on sales the Class I railroads showed a 5.1 percent in 1949, as compared with an average of 4.8 percent for the entire transportation group. This would indicate that the railroads are doing reasonably well, if an average of 3.3 percent on net assets and an average of 5.1 percent margin on sales can be regarded as a satisfactory financial showing, which we doubt.

In this connection it is well to compare the Class I railroads' 3.2 percent on net assets in 1949 with the 5.3 percent in 1948, and the 5.1 percent margin on sales in 1949 with the 7.4 percent in 1948. This would seem to represent a deterioration of financial position, no matter how generously such returns may be interpreted. Moreover, looking at Class I railroads as an investment opportunity, it is necessary to compare this 3.2 percent return on net assets in 1949 with the average return of 13.8 percent for manufacturing corporations, 13.2 percent for trade, 9.4 percent for service and construction, and 9.4 percent for finance, or with the general average for all corporations which in the same year (1949) was 11.0 percent. Likewise, it is appropriate to compare the Class I railroads' 5.1 percent margin on sales in 1949 with the general average of 6.6 percent for all corporations. These data would not seem to indicate excessive earnings either on net assets or on volume of business on the part of the railroads.

There is reason to believe that the rapid Dieselization and other improvements in equipment and facilities will greatly enhance the railroads' capacity to meet effectively the challenge of competing transportation agencies, so that the immediate future may not be so discouraging as the above financial data suggest. But rapidly accumulating costs of operation, including labor costs, may militate against the probability of greater prosperity. Dieselization is only partly an attempt to meet a severe competitive situation; it is also a consequence of the need for greater economy and efficiency and of increased labor costs. Increased costs of operation necessitate increased mechanization, and increased mechanization causes technological displacement of employees. This is a situation seriously to be contemplated by both management and labor.

This Board does not believe that the railroads can safely assume the additional annual expenditure of more than $281,000,000 which approval of all of the requests submitted by the Organizations in this case would necessitate, to say nothing of the costs that would accrue from the demands being pressed by organizations not before this Board. The estimated total additional annual costs resulting from this Board's recommendations, if adopted, will be approximately $40,000,000. Although, from the standpoint of the Carriers, this additional annual expenditure is substantial, the Board believes that its recommendations are fair and equitable and that the resultant additional financial burden is not unbearably large.

V. SUMMARY OF FINDINGS AND RECOMMENDATIONS

The Board herewith sets forth, in consolidated and complete form, its findings and recommendations as these appear in the text following the discussion of the various specific proposals:

Recommendations on Proposals of the Organizations

Daily Earnings Minimum Guarantee

1. *With regard to an increase of two and one-half cents (2½¢) per hour in the basic rate of all classes of yard service employees and the elimination of the daily minima guarantee.*

That in lieu of the existing daily earnings minimum guarantee of 20 cents per day there be an increase of two and one-half cents (2½¢) per hour in the basic daily rates of all classes of employees presently included under said guarantee.

Basic 5-Day, 40-Hour Workweek

With regard to the Five-day Workweek.

(a) That effective October 1, 1950, the Carriers shall establish for all yard service employees represented in this matter, a work-

week of 40 hours, consisting of 5 calendar days of 8 hours each, with 2 consecutive days off in each 7; that Carriers shall have the right to stagger workweeks in accordance with their operational needs and requirements; and that employees shall have the right to expect that whenever practicable, from the standpoint of the Carriers' operating necessities, the two consecutive days off occasionally shall be on Saturdays and Sundays.

(b) That the yard service employees represented in this matter shall receive a basic wage rate increase of 18 cents per hour, or $1.44 per basic day, beginning October 1, 1950.

Overtime Pay

With regard to overtime for service in excess of 8 hours each day (24-hour period) or in excess of 5 8-hour days (40 hours) in a week.

That all services in excess of 5 8-hour days (40 hours) in a week shall be paid for at the rate of time and one-half.

Sunday and Holiday Work

With regard to time and one-half rates for work on Sundays and holidays in yard service.

That the Organizations' request for punitive rates of pay on Sundays and holidays be withdrawn.

Rules and Practices to Effectuate the 40-Hour Week

With regard to rules and practices required to effectuate the 5-day workweek.

That in view of the practical necessities of the operations involved, and the fact that the parties are so close to an agreement in the matter, the rules and practices required to effectuate the workweek of 5 8-hour days shall be remanded to the parties for joint negotiation and determination.

Savings Clause

With regard to the savings clause.

That the adjustments contemplated within the scope of the Board's recommendations shall not modify any basic day or monthly rule or any other rules or practices now in effect which are deemed more favorable to the employees.

2. Car Retarder Operators' Differential

Recommendation

That the request be approved and that the basic daily rates for car retarder operators be determined by adding eighty cents (80¢) to the basic daily rate of yard conductors (foremen).

3. Footboard Yardmasters' Differential

Recommendation

That the daily rate for yard conductors (foremen) who also act as yardmasters shall be not less than two-thirds of one hour's pay in excess of the yard conductors' (foremen's) daily rates.

4. Graduated Rates of Pay

Recommendation

That the request of the Organizations be withdrawn.

5. Restoration of Standard Rates Between Territories

Recommendation

That all existing basic daily rates in effect applying to road train service employees on railroads in the Western territory be adjusted so as to eliminate the 1 percent differential, and that simultaneously all doubleheader rules in Western territory be abandoned.

6. Equalization of Mileage—Basic Passenger Day

Recommendation

That this request be withdrawn.

7. Passenger Service Overtime

Recommendation

That the proposal for overtime rate in the passenger service be withdrawn.

8. Initial Terminal Delay

Recommendation

That train service employees in all classes of road service be given an initial terminal delay rule comprehending a sixty (60) minute maximum preparatory period for employees in the passenger service and seventy-five (75) minute maximum preparatory period in the freight service, the details of the rule to be formulated by joint agreement.

9. Expense Away from Home Terminal

Recommendation

That the Organizations' request for expenses away from home terminal be withdrawn.

10. United States Mail Handling Allowance

Recommendation

That within the applicable rule the allowance to baggagemen for the handling of United States Mail be increased from thirty four cents (34¢) to forty-six cents (46¢) per day.

11, 12, 13. Dining Car Stewards

Recommendation

That the basic hours of stewards be reduced from 225 hours to 205 hours. It is also recommended that penalty overtime shall not accrue until 240 hours have been worked and that hours between 205 and 240 be paid for at the pro rata rate. It is further recommended that the monthly salary to be paid for the 205-hour month shall be $9.65 less than the salary now received for the 225-hour month. Recommendation to be effective October 1, 1950.

Yardmasters

Recommendation

After examining all the evidence submitted in this case, the Board now submits the following findings and recommendations:

1. That a 5-day workweek is feasible for yardmasters and that it should be adopted.
2. That the salaries of yardmasters should be reduced one-sixth.
3. That the sum of 18 cents should be added to the hourly rate of yardmasters. This increase to be figured on the new rate and determined according to the formula set out above.
4. The suggested increase in the hourly rates of yardmasters should place their rates and earnings in their proper position when considered in the light of comparative studies of the relative rates of other supervisory officials of the same or equivalent grade in the railroad industry, and the relative rates of those whom they supervise.
5. The recommendation of this Board is that the suggested change be made as of October 1, 1950. It is felt this will give ample time to make all necessary arrangements both as to assignments and rules. It is the feeling of the Board that the rule changes should be made by negotiations and in conformity with our suggestions contained in the above discussion.

Effective Date of Certain Recommendations

As regards certain of the above proposals relating specifically to the Daily Earnings Minimum Guarantee, Car Retarder Operators, Footboard Yardmasters, and the Handling of United States Mail the Board recommends that these adjustments should become effective July 1, 1950.

RECOMMENDATIONS ON PROPOSALS OF THE CARRIERS

Interdivisional Runs

Progress and the forces of competition suggest that restrictions on interdivisional runs be eliminated for both assigned and unassigned services. Equitable distribution of the work would pro-

tect seniority rights and the only condition to be exacted should be the giving of fair and reasonable notice (Carriers' Proposal 7).

Pooling Cabooses

Pooling cabooses should be permitted, and any rule or practice limiting the right of use of cabooses for crews generally, should be eliminated. Of course, proper provision should be made at terminals for locker space or other accommodations for employees who, under present rules, have assigned cabooses, and for the general care and upkeep of cabooses and equipment (Carriers' Proposal 8).

Coupling and Uncoupling Air Hose

There are many rules that require that where carmen are available, trainmen and yardmen are not required to couple and uncouple air, steam and signal hose. We recommend that, where such rules are in existence, the parties should meet and redefine the import and intent of the rule so that its application will be limited to those situations in which carmen are at the immediate point where the coupling or uncoupling is necessary. It is further suggested that where arbitraries are specified for this specific work, a clause should be added thereto limiting such arbitrary to the member of the crew performing the work (Carriers' Proposal 9).

More Than One Class of Road Service

We suggest that the parties include a rule providing that when more than one class of road service is performed in a tour of duty, the rate to be paid for the entire working time shall be the highest rate applicable for any class of service performed (Carriers' Proposal 12(2)).

Yard Switching Limits

It is suggested that the parties agree that as switching needs expand or contract, management should be permitted to expand or contract such yard limits to conform to the needs of service (Carriers' Proposal 14).

Reporting for Duty Rules

Call and reporting rules should be examined and changed so that less time would elapse between the call time and the actual time of commencement of work. This would probably aid the carrier in reducing initial terminal delay time (Carriers' Proposal 16).

General Recommendations

It is recommended that rule change requests of the carriers, not covered herein, be withdrawn.

If the parties are unable to agree upon a rule for any one or more of the above suggestions, then in that event the parties should agree to arbitrate such question or questions.

Respectfully submitted.

ROGER I. MCDONOUGH, *Chairman*
MART J. O'MALLEY, *Member*
GORDON S. WATKINS, *Member*

APPENDICES

A. EXECUTIVE ORDER.
B. APPEARANCES.
C. CARRIERS AND ORGANIZATIONS INVOLVED.

APPENDIX A

EXECUTIVE ORDER

CREATING AN EMERGENCY BOARD TO INVESTIGATE A DISPUTE BETWEEN THE CARRIERS REPRESENTED BY THE EASTERN CARRIERS' CONFERENCE COMMITTEE, THE WESTERN CARRIERS' CONFERENCE COMMITTEE, AND THE SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEE, AND CERTAIN OF THEIR EMPLOYEES

WHEREAS a dispute exists between the carriers represented by the Eastern Carriers' Conference Committee, the Western Carriers' Conference Committee, and the Southeastern Carriers' Conference Committee, and certain of their employees represented by the Order of Railway Conductors and the Brotherhood of Railroad Trainmen, labor organizations; and

WHEREAS this dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

WHEREAS this dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive the country of essential transportation service:

NOW, THEREFORE, by virtue of the authority vested in me by section 10 of the Railway Labor Act, as amended (45 U.S.C. 160), I hereby create a board of three members, to be appointed by me, to investigate the said dispute. No member of the said board shall be pecuniarily or otherwise interested in any organization of railway employees or any carrier.

The board shall report its findings to the President with respect to the said dispute within thirty days from the date of this order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the board has made its report to the President, no change, except by agreement, shall be made by the carriers represented by the Eastern Carriers' Conference Committee, the Western Carriers' Conference Committee, or the Southeastern Carriers' Conference Committee, or their employees in the conditions out of which the said dispute arose.

(Signed) HARRY S. TRUMAN

THE WHITE HOUSE,
February 24, 1950.

APPENDIX B

LIST OF APPEARANCES

APPEARANCES ON BEHALF OF THE ORDER OF RAILWAY CONDUCTORS, BROTHERHOOD OF RAILROAD TRAINMEN

R. O. Hughes, Vice President, The Order of Railway Conductors.
W. E. B. Chase, Vice President, Brotherhood of Railroad Trainmen.
H. P. Melnikow, Consulting Economist for the O. R. C. and B. of R. T.
Clifford D. O'Brien and Solomon Sachs, Counsel for the O. R. C. and B. of R. T.

APPEARANCES IN BEHALF OF THE CARRIERS

EASTERN CARRIERS' CONFERENCE COMMITTEE:

L. W. Horning (Chairman), Vice President, Personnel and Public Relations, New York Central System.
F. J Goebel, Vice President, Personnel, Baltimore and Ohio Railroad.
H. E. Jones, Chairman, Executive Committee, Bureau of Information of the Eastern Railways.
J. W. Oram, Chief of Personnel, Pennsylvania Railroad.
E. B. Perry, Assistant Vice President, Personnel, New York, New Haven and Hartford Railroad.

WESTERN CARRIERS' CONFERENCE COMMITTEE:

D. P. Loomis (Chairman), Chairman, The Association of Western Railways.
E. J. Connors, Vice President, Union Pacific Railroad.
S. C. Kirkpatrick, Assistant to Vice President, The Atchison, Topeka and Santa Fe Railway.
T. Short, Chief Personnel Officer, Missouri Pacific Lines.
J. J. Sullivan, Manager of Personnel, Southern Pacific Company.
R. F. Welsh, Executive Secretary, The Association of Western Railways.

SOUTHEASTERN CARRIERS' CONFERENCE COMMITTEE:

C. D. Mackay (Chairman), Assistant Vice President, Southern Railway.
W. S. Baker, Assistant Vice President, Atlantic Coast Line Railroad
H. A. Benton, Director of Personnel, Seaboard Air Line Railroad.
F. K. Day, Jr., Assistant General Manager, Norfolk & Western Railway.
C. R. Hook, Jr., Vice President, Chesapeake & Ohio Railway.
A. J. Bier, Manager, Bureau of Information of the Southeastern Railways.

COUNSEL FOR THE CARRIERS' CONFERENCE COMMITTEES:

Howard Neitzert, Sidley, Austin, Burgess & Smith, Chicago, Illinois.
H. Merle Mulloy, General Solicitor, Reading Company.
Bruce Dwinell, General Attorney, Chicago, Rock Island and Pacific Railroad.
Burton Mason, General Attorney, Southern Pacific Company.
J. P. Hamilton, General Attorney, Louisville & Nashville Railroad.
W. S. MacGill, Solicitor, Southern Railway.

APPENDIX C

REPRESENTATION BY THE REGIONAL CARRIERS' CONFERENCE COMMITTEES

SUMMARY STATEMENT

With respect to the proposals of the carriers, representation by the Carriers' Conference Committees of the carriers in the respective regions is coextensive with the proposals served by the individual carriers on the representatives of the employes of such carriers.

With respect to the proposals of the organizations, representation by the Carriers' Conference Committees is coextensive with proposals served, except for limitations indicated on the respective representation statements which follow.

With respect to the proposals of both parties, representation by the Carriers' Conference Committees relates only to the employe groups covered by current schedule agreements, on behalf of or to which groups the respective proposals were submitted.

WESTERN RAILROADS

List of Carriers as represented by the Western Carriers' Conference Committee—1949, and their employees represented by the Order of Railway Conductors and Brotherhood of Railroad Trainmen as indicated by "X," in connection with notices, dated March 15, 1949 served upon certain western railroads requesting a 40-hour work week with time and one-half rates for Sundays and Holidays for all classes of crafts or yard service employees including affiliated classes or crafts; the establishment or graduated rate of pay tables in all classes of service; the restoration of standard wage rates between the territories; and modification of certain rules as set forth therein, including rules covering Dining Car Stewards, and Dining Car Employees other than Stewards represented by the Order of Railway Conductors; and in connection with notices served on or about the same date by individual Western Railroads upon their employees represented by the Order of Railway Conductors and Brotherhood of Railroad Trainmen, of desire and intent to change existing rules, regulations, interpretations or practices, however established, to the extent and as shown in said notices.

(Authorization is co-extensive with the provisions of current schedule agreements applicable to the employees represented by the organizations listed above.)

CARRIERS	O of R C	B of R T
	1	2
Alton and Southern R. R.	----------	x
Atchison, Topeka & Santa Fe Ry	x	1-x
Gulf, Colorado & Santa Fe Ry	x	1-x
Panhandle & Santa Fe Ry	x	1-x
Belt Ry. Co. of Chicago	----------	2-x
Burlington-Rock Island R. R.	x	x
Camas Prairie R. R.	3-x	3-x
Chicago & Eastern Illinois R. R.	----------	1-4-x
Chicago & Illinois Midland Ry.	----------	4-x
Chicago & North Western Ry.	1-5-x	6-7-x
Chicago & Western Indiana R. R.	----------	2-4-x
Chicago, Burlington & Quincy R. R.	x	1-8-x
Chicago Great Western Ry.	x	x
Chicago, Milwaukee, St. Paul & Pacific R. R.	x	1-x
Chicago, Terre Haute & Southeastern Ry.	x	1-x
Chicago, Rock Island & Pacific R. R.	x	1-x
Chicago, St. Paul, Minneapolis & Omaha Ry.	9-x	1-x
Colorado & Southern Ry.	----------	1-4-10-x
Colorado & Wyoming Ry.	----------	2-4-x
Denver & Rio Grande Western R. R.	x	1-x
Des Moines Union Ry.	----------	x
Duluth, Missabe & Iron Range Ry. (Iron Range Div.)	x	2-x
Duluth, Missabe & Iron Range Ry. (Missabe Div.)	x	2-x
Duluth Union Depot & Transfer Co.	----------	x
East St. Louis Junction R. R.	----------	4-x
Elgin, Joliet & Eastern Ry.	x	2-x
Fort Worth & Denver City Ry.	x	1-x
Wichita Valley Ry.	x	x
Galveston, Houston & Henderson R. R.	----------	2-x
Great Northern Ry.	2-9-x	1-x
Green Bay & Western R. R.	x	x
Kewaunee, Green Bay & Western R. R.	x	x
Gulf Coast Lines—Comprising		
T— Asherton & Gulf Ry.	x	1-x
T— Asphalt Belt Ry.	----------	1-4-x
T— Beaumont, Sour Lake & Western Ry.	x	1-x
T— Houston & Brazos Valley Ry.	x	1-x
T— Houston North Shore Ry.	x	1-x
T— Iberia, St. Mary & Eastern R. R.	x	11-x
T— International-Great Northern R. R.	x	1-2-x
T— New Iberia & Northern R. R.	x	11-x
T— New Orleans, Texas & Mexico Ry.	x	1-x
T— Orange & Northwestern R. R.	x	1-x
T— Rio Grande City Ry.	x	11-x
T— St. Louis, Brownsville & Mexico Ry.	x	12-x
T— San Antonio Southern Ry.	x	1-x
T— San Antonio, Uvalde & Gulf R. R.	----------	1-2-4-x
T— San Benito & Rio Grande Valley Ry.	x	11-x
T— Sugar Land Ry.	x	1-x

CARRIERS	O of R C	B of R T
	1	2
Houston Belt & Terminal Ry.	----------	2-x
Illinois Central R. R.	x	1-x
Chicago & Illinois Western R. R.	----------	x
Kansas City Southern Ry.	x	x
Kansas City Terminal Ry.	----------	x
King Street Passenger Station	----------	x
Los Angeles Junction Ry.	----------	2-x
Louisiana & Arkansas Ry.	x	2-13-x
Manufacturers Ry.	----------	x
Midland Valley R. R.	x	2-x
Kansas, Oklahoma & Gulf Ry.	x	x
Oklahoma City-Ada-Atoka Ry.	14-x	----------
Minneapolis & St. Louis Ry.	x	x
Minneapolis, St. Paul & Sault Ste. Marie R. R.	x	x
T— Duluth, South Shore & Atlantic Ry.	----------	4-x
T— Mineral Range R. R.	----------	4-x
Minnesota Transfer Ry.	----------	x
Missouri-Kansas-Texas R. R.	x	1-2-x
Missouri-Kansas-Texas R. R. Co. of Texas	x	1-2-x
T—Missouri Pacific R. R.	x	1-x
Northern Pacific Ry.	15-x	1-x
Northwestern Pacific R. R.	x	x
Ogden Union Ry. & Depot Co.	----------	x
Oregon, California & Eastern Ry.	16-x	----------
Peoria & Pekin Union Ry.	----------	17-x
Port Terminal Railroad Association	----------	x
St. Joseph Terminal R. R.	----------	18-x
St. Louis-San Francisco Ry.	x	1-x
St. Louis, San Francisco & Texas Ry.	x	1-x
St. Louis Southwestern Ry.	----------	2-4-x
St. Louis Southwestern Ry. Co. of Texas	----------	2-4-x
San Diego & Arizona Eastern Ry.	x	1-x
Southern Pacific Co. (Pacific Lines)—Excluding Former	x	1-19-20-x
El Paso & Southwestern System	----------	----------
Sou. Pac. Co.—Former El Paso & Southwestern System	x	x
Spokane, Portland & Seattle Ry.	x	1-x
Oregon Electric Ry.	x	1-x
Oregon Trunk Ry.	x	1-x
Terminal Railroad Association of St. Louis	----------	x
Texas & New Orleans R. R.	----------	1-2-4-21-x
Texas & Pacific Ry.	x	1-2-x
Abilene & Southern Ry.	x	x
Fort Worth Belt Ry.	----------	x
Texas-New Mexico Ry.	x	x
Weatherford, Mineral Wells & Northwestern Ry.	x	x
Texas Mexican Ry.	----------	x
Texas Pacific-Mo. Pac. Ter. R. R. of N. C.	----------	2-x
Toledo, Peoria & Western R. R.	----------	2-4-x
Union Pacific R. R.	x	1-x
Union Railway Co. (Memphis)	----------	2-x
Union Terminal Co. (Dallas)	----------	2-x
Wabash R. R.—Lines West of Detroit	x	1-22-x
Wabash R. R.—Lines East of Detroit (Buffalo Div.)	----------	23-x
Western Pacific R. R.	x	1-x

NOTES:
1—Authorization includes Dining Car Stewards.
2—Authorization includes Yardmasters.
3—Authorization includes only such employes covered by Northern Pacific Conductors' Schedule and Northern Pacific Trainmen's and Yardmen's Schedule.
4—Authorization includes Conductors.
5—Authorization includes Yard Foremen, Chicago Switching District and Yard Foremen (Footboard Yardmasters), Chicago Switching District, and Car Retarder Operators.
6—Authorization Excludes Yard Foremen, Chicago Switching District.
7—Authorization includes Footboard Yardmasters, except Chicago Switching District, and Car Retarder Operators.
8—Authorization includes Tap Room Stewards.
9—Authorization includes Dining Car Chefs, Second and Third Cooks.
10—Authorization includes Yardmasters and Assistant Yardmasters at Denver, Colorado.
11—Authorization includes Dining Car Stewards only.
12—Authorization covers Engine Foremen only and Dining Car Stewards.
13—Authorization covers Flagmen and Yardmen (covered by agreement dated December 1, 1931.)
14—Authorization includes Brakemen.
15—Authorization includes Dining Car Chefs, Cafe Coach Cooks, Dining Car Second, Third and Fourth Cooks.
16—Authorization includes Road Trainmen.
17—Authorization includes General Yardmasters, Assistant General Yardmasters and Yardmasters.
18—Authorization includes Footboard Yardmasters.
19—Authorization includes Cafe Car Stewards.
20—Agreement covering Dining Car Stewards includes former El Paso & Southwestern system.
21—Authorization includes Bus Drivers (New Orleans) but Authorization limited to 40-hour week only.
22—Authorization includes Yardmen (Chicago Switching District).
23—Authorization covers Road Conductors and Road Brakemen only.

WESTERN RAILROADS

Carriers' Rules Proposals, as contained in Attachment "A" hereto, served on representatives of the Order of Railway Conductors and/or Brotherhood of Railroad Trainmen in notices dated March 15, 1949

Railroads	PROPOSAL NUMBER AS CONTAINED IN ATTACHMENT "A" HERETO																												
	1 (a)	1 (b)	1 (c)	1 (d)	1 (e)	1 (f)	1 (g)	1 (h)	1 (i)	1 (j)	1 (k)	2	3	4	5	6-P	6-F	7	8	9	10	11	12	13	14	15	16	17
Alton and Southern R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Atchison, Topeka & Santa Fe Ry. (Incl. Stewards)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Gulf, Colorado & Santa Fe Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Panhandle & Santa Fe Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Belt Ry. Co. of Chicago	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Burlington-Rock Island R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Camas Prairie R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago & Eastern Illinois R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago & Illinois Midland Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago & North Western Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago & Western Indiana R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, Burlington & Quincy R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago Great Western Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, Milwaukee, St. Paul & Pacific R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, Terre Haute & Southeastern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, Rock Island & Pacific R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, St. Paul, Minneapolis & Omaha Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Colorado & Southern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Colorado & Wyoming Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Denver & Rio Grande Western R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Des Moines Union Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Duluth, Missabe & Iron Range Ry. (Iron Range Div.)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Duluth, Missabe & Iron Range Ry. (Missabe Div.)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Duluth Union Depot & Transfer Co.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
East St. Louis Junction R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Elgin, Joliet & Eastern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Fort Worth & Denver City Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Wichita Valley Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Galveston, Houston & Henderson R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Great Northern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Green Bay & Western R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Kewaunee, Green Bay & Western R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Gulf Coast Lines—Comprising (2)																												
Asherton & Gulf Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

Asphalt Belt Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Beaumont, Sour Lake & Western Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Houston & Brazos Valley Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Houston North Shore Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Iberia, St. Mary & Eastern R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
International-Great Northern R. R. (2)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New Iberia & Northern R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New Orleans, Texas & Mexico Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Orange & Northwestern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Rio Grande City Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
St. Louis, Brownsville & Mexico Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Antonio Southern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Antonio, Uvalde & Gulf R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Benito & Rio Grande Valley Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Sugar Land Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Houston Belt & Terminal Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	—
Illinois Central R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago & Illinois Western R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Kansas City Southern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Kansas City Terminal Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
King Street Passenger Station	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Los Angeles Junction Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Louisiana & Arkansas Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Manufacturers Ry.	x	x	----	x	x	----	x	x	x	x	x	x	x	x	----	----	----	----	----	x	x	x	----	----	----	----	x	x	
Midland Valley R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Kansas, Oklahoma & Gulf Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Oklahoma City-Ada-Atoka Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Minneapolis & St. Louis Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Minneapolis, St. Paul & Sault Ste. Marie R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Duluth, South Shore & Atlantic Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Mineral Range R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Minnesota Transfer Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Missouri-Kansas-Texas R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Missouri-Kansas-Texas R. R. Co. of Texas	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Missouri Pacific R. R. (2)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Northern Pacific Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Northwestern Pacific R. R.	x	----	x	x	x	----	x	----	----	x	----	x	x	x	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x
Ogden Union Ry. & Depot Co.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Oregon, California & Eastern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Peoria & Pekin Union Ry.	x	x	x	x	x	x	x	x	----	x	x	x	----	----	----	----	----	----	----	x	x	x	x-3	x-4	----	----	x	x
Port Terminal Railroad Association	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
St. Joseph Terminal R. R.	x	x	x	x	x	x	x	x	x	x	x	x	----	x	----	----	----	----	----	x	x	x	x	x	x	----	x	x	
St. Louis-San Francisco Ry.	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
St. Louis, San Francisco & Texas Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	

WESTERN RAILROADS

Carriers' Rules Proposals, as contained in Attachment "A" hereto, served on representatives of the Order of Railway Conductors and/or Brotherhood of Railroad Trainmen in notices dated March 15, 1949—Continued

Railroads	PROPOSAL NUMBER AS CONTAINED IN ATTACHMENT "A" HERETO																												
	1 (a)	1 (b)	1 (c)	1 (d)	1 (e)	1 (f)	1 (g)	1 (h)	1 (i)	1 (j)	1 (k)	2	3	4	5	6-P	6-F	7	8	9	10	11	12	13	14	15	16	17
St. Louis Southwestern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
St. Louis Southwestern Ry. Co. of Texas	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Diego & Arizona Eastern Ry.	----	----	x	x	x	x	x	x-5	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Southern Pacific Co. (Pacific Lines)—Excluding Former El Paso & Southwestern System	----	----	x	x	x	----	x	x	----	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Southern Pacific Co. (Pacific Lines)—Stewards	----	----	----	x	x	x	----	x-5	----	----	----	x	x	x	x	----	----	x	----	----	x	x	x	x	----	x	x	x
Southern Pacific Co.—Former El Paso & S.W. System	----	----	x	x	x	----	x	x	----	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Spokane, Portland & Seattle Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Oregon Electric Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Oregon Trunk Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Terminal Railroad Association of St. Louis	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Texas & New Orleans R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Texas & Pacific Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Abilene & Soutkern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Fort Worth Belt Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Texas-New Mexico Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Weatherford, Mineral Wells & Northwestern Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Texas Mexican Ry.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Texas Pacific-Mo. Pac. Term. R. R. of N. O.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Toledo, Peoria & Western R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Union Pacific R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
(Dining Car Stewards)	----	----	----	x-6	----	x	----	x-7	----	x-8	----	----	x-9	x	x	----	----	----	----	----	x-10	----	----	----	----	----	x	----
Union Railway Company (Memphis)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Union Terminal Company (Dallas)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Wabash R. R.—Lines West of Detroit	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Wabash R. R.—Lines East of Detroit (Buffalo Div.)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Western Pacific R. R.	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x'	x	x	x	x	x	x	x	x	x	x

NOTES

2—The following rules changes, covering Dining Car Stewards on the Missouri Pacific, Gulf Coast Lines and International-Great Northern Railroad, were served on the Brotherhood of Railroad Trainmen:

1. Establish a rule providing the Carrier is not obligated to any degree to employ Stewards on any run or on any car where food and refreshments are served when in their judgment the services of a Steward are not required.
2. Modify present rule of the agreement to provide that 240 hours or less in regular assignment will constitute a basic month's work for regular Stewards. Overtime in excess of 240 hours to be paid at rate of time and one-half of the basic hourly rate.

3—Rule 12 reads: —Change present rules and agreements to permit a combination of yard and independent service, and permit the performance of both *classes* of service by any crew in their tour of duty.

4—Rule 13 reads: —Clarify Rule 4 (c) which permits employees to perform more than one grade of service in a tour of duty at the highest rate applicable to any grade of service performed within such tour.

5—Rule 1 (h) reads: —Reduction in all monthly and weekly rates to conform to any reduction in the basic work week or work month.

6—Rule 1 (d) reads: —Elimination of those which require payment for a specified number of hours in any month.

7—Rule 1 (h) reads: —Reduction of all monthly rates to conform to any reduction in the basic work month.

8—Rule 1 (j) reads: —Change the vacation agreement dated at New York, New York, June 6, 1945, insofar as Dining Car Stewards are concerned as follows:

I—Section 2 (a)—to be changed to read as follows:
An employee having a regular assignment will be paid as a vacation allowance six (6) basic days' pay at the minimum basic daily rate of the last assignment held by him prior to date his vacation is scheduled to begin.

II—Section 2 (b)—To be changed to read as follows:
An extra employee will be paid as a vacation allowance six (6) minimum basic days' pay at the minimum basic daily rate of the last service rendered by him prior to date his vacation is scheduled to begin.

III—Section 2 (c)—To be changed to read as follows:
A furloughed man will be paid as a vacation allowance six (6) minimum basic days' pay at the minimum basic daily rate of the last service rendered by him prior to date his vacation is scheduled to begin.

IV—Eliminate the following provision of Rule 29, current agreement:
"Stewards with over two years continuous service who are entitled to vacation in accordance with Consolidated Uniform Vacation Agreement will be allowed seven additional eight-hour days in conformity with vacation plan in effect prior to July 1, 1945."

9—Rule 3 reads: —Discontinue vacations for all employes who do not perform service on 160 or more calendar days in the qualifying year.

10—Rule 10 reads: —Eliminate all existing rules, regulations, interpretations or practices, however established, which provide for monthly earnings guarantees.

EASTERN RAILROADS

Eastern Railroads which have authorized representation by the Eastern Carriers' Conference Committee in the handling of notices filed on the individual carriers on or about March 15, 1949 by the ORDER OF RAILWAY CONDUCTORS and BROTHERHOOD OF RAILROAD TRAINMEN *for changes in schedule rules to provide for a 40-hour week, with time and one-half for Sundays and holidays for Yard Employees and changes in other rules and certain rates of pay; also, Carriers' notices served on the organizations on or about same date for certain rules changes.*

Railroads	Conductors		Trainmen	Switchmen	Dining Car Stewards	Yardmasters		Miscellaneous Classes
	ORC	BRT	BRT	BRT	BRT	ORC	BRT	BRT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Akron, Canton & Youngstown R. R.		x	x	x			x	
Ann Arbor Railroad	x		x	x				
Baltimore & Ohio Railroad	x		x		x			
B. & O.-Chicago Terminal R. R. Co.				x				
Curtis Bay Railroad			x					
Staten Island Rapid Transit	x		x				x	
Strouds Creek & Muddlety Ry.	(h)							
Bessemer & Lake Erie R. R. Co.	x		x	(a)				
Boston & Maine Railroad		x	x	x				(b)
Boston Terminal Company				x				
Brooklyn Eastern District Term.		x	x				x	
Canadian Pacific Ry. Co.		x	x	x				
Central R. R. Co. of New Jersey (T)	x		x	x				
Central R. R. Co. of Penna.	x		x	x				(b)
Central Vermont Railway	x		x	x			x	
Chesapeake & Ohio Railway—								
Pere Marquette District	x		x	x				
Fort St. Union Depot Co.				x				
Chicago, Indianapolis & Louisville Ry. Co.	x		x	x	x		x	
Chicago Union Station Company			(i)					
Cincinnati Union Terminal Co.				x			x	
Delaware & Hudson Railroad	x		x		x	x		
Delaware, Lackawanna & Western R. R.		x	x		x			
Detroit Terminal Railroad Co.		x	x	x				
Detroit & Toledo Shore Line R. R.	(h)					x		
Detroit, Toledo & Ironton R. R. Co.		x	x					
Erie Railroad Company		x	x	x			x	(b)
Grand Trunk Western Ry. Co.	x		x	x	x		x	
Jay Street Connecting R. R.		x	x				x	
Lake Terminal Railroad Co.		x	x				x	
Lehigh & New England R. R. Co.	x		x	x			x	
Lehigh Valley Railroad Co.	x		x	x	x			(b) (c)
Maine Central Railroad Co.		x	x	x			x	
Portland Terminal Co.			x	x			x	
Monongahela Railway Co.	x		x					
Montour Railroad Co.		x	x					
New York Central System—								
Full Line Agreements					x			
N. Y. C.—Buffalo & East	x		x	x				
N. Y. C.—West of Buffalo	x		x	x				
Ohio Central Division	x		x	x			x	(b)
Federal Valley		x	x	x				
Michigan Central Railroad	x		x	x				
Canada Division		x	x	x				
C. C. C. & St. L. Railway	x		x	x				(b) (e)
Peoria & Eastern Railway	x		x	x				
L. & J. B. & Railroad			x	x				
Boston & Albany Railroad	x		x	x				
Indiana Harbor Belt R. R.		x	x	x				(b) (f)
Chicago River & Indiana R. R.		x	x	x				
Chicago Junction Ry.		x	x	x				
Pittsburgh & Lake Erie R. R. Co.	x		x	x				
Lake Erie & Eastern R. R. Co.		x	x	x				
Cleveland Union Terminals				x				

Railroads	Conductors		Train-men	Switch-men	Dining Car Stew-ards	Yard-Masters		Mis-cel-laneous Classes
	ORC	BRT	BRT	BRT	BRT	ORC	BRT	BRT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
New York, Chicago & St. Louis R. R.	x		x	x				
New York, New Haven & Hartford R. R.		x	x	x	x			(b)
New York, Ontario & Western Ry.	x		x				x	
Pennsylvania Railroad		x	x	x	x			(b) (g)
Baltimore & Eastern R. R. Co.	x		x	x				
Pennsylvania-Reading S. S. Lines		x	x	x			x	
Pittsburgh & West Vriginia Ry.		x	x					
Pitts. Chartiers & Youghiogheny Ry.		x	x					
Reading Company	x		x	x	x		x	(d)
River Terminal Railway Co.		x	x					
Union Depot Co.—Columbus, O.				x				
Union Freight Railroad Co.		x	x	x				
Washington Terminal Company				x				
Wheeling & Lake Erie Ry. Co.	x		x	x				
Lorain & West Virginia Ry. Co.	x		x	x				

Footnotes:

(a)—Bessemer & Lake Erie—Brotherhood of Railroad Trainmen represents switchmen in all yards except Conneaut Yard.

(b)—Boston & Maine, C. R. R. of Pa., Erie, Lehigh Valley, N. Y. C. System, Ohio Central Division, C. C. C. & St. L., Indiana Harbor Belt, New York, New Haven & Hartford, Pennsylvania — Car Retarder Operators represented by the Brotherhood of Railroad Trainmen

(c)—Lehigh Valley—Car Riders represented by the Brotherhood of Railroad Trainmen.

(d)—Reading Company—Car Droppers at Port Reading and Chauffeurs represented by the Brotherhood of Railroad Trainmen.

(e)—C. C. C. & St. L.—Motor Car Operators represented by the Brotherhood of Railroad Trainmen.

(f)—Indiana Harbor Belt—Levermen represented by the Brotherhood of Railroad Trainmen.

(g)—Pennsylvania—Hump Motor Car Operators represented by the Brotherhood of Railroad Trainmen.

(h)—Strouds Creek & Muddlety, Detroit & Toledo Shore Line — Includes Trainmen represented by the Order of Railway Conductors.

(i)—Chicago Union Station—Switchtenders only.

EASTERN RAILROADS

Carriers' Rules Proposals, as contained in Attachment "A" hereto, served on representatives of the Order of Railway Conductors and/or Brotherhood of Railroad Trainmen in notices dated March 15, 1949

Railroads	PROPOSAL NUMBER AS CONTAINED IN ATTACHMENT "A" HERETO																												
	1 (a)	1 (b)	1 (c)	1 (d)	1 (e)	1 (f)	1 (g)	1 (h)	1 (i)	1 (j)	1 (k)	2	3	4	5	6-P	6-F	7	8	9	10	11	12	13	14	15	16	17
Akron, Canton & Youngstown	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Ann Arbor	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Baltimore & Ohio	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
B. & O.—Chicago Terminal	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Curtis Bay Railroad	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Staten Island Rapid Transit	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Strouds Creek and Muddlety	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Bessemer & Lake Erie	x	----	x	x	x	----	x	----	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Boston & Maine	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Boston Terminal	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----
Brooklyn Eastern District Terminal	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Canadian Pacific	----	----	----	x	x	----	x	----	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Central Railroad Company of New Jersey	----	----	----	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Central Railroad Company of Penna.	----	----	----	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chesapeake & Ohio (Pere Marquette Dist.)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Fort St. Union Depot Company	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago, Indianapolis & Louisville	x	----	x	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Central Vermont	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x
Chicago Union Station Company	x	x	x	x	x	x	x	x	x	x	x	x	x	x	----	----	----	----	----	----	x	----	----	x	----	----	x	----
Cincinnati Union Terminal	x	----	----	x	x	x	x	x	x	x	x	x	----	----	----	----	----	----	----	x	x	x	----	----	----	----	----	----
Delaware & Hudson	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Delaware, Lackawanna & Western	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Detroit & Toledo Shore Line	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Detroit, Toledo & Ironton	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x
Detroit Terminal	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Erie	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Grand Trunk Western	x	----	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Jay Street Connecting Railroad	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Lake Terminal	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----
Lehigh & New England	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x
Lehigh Valley	----	----	----	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

Maine Central	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Portland Terminal	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Monongahela	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Montour	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New York Central—East	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New York Central—West	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Michigan Central	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
C. C. C. & St. L. (P&E—L&JB)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Boston & Albany	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Indiana Harbor Belt	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chicago River & Indiana (C.J.)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Pittsburgh & Lake Erie (LE&E)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Cleveland Union Terminals	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New York, Chicago & St. Louis	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
New York, New Haven & Hartford	x	----	----	x	x	x	x	x	----	x	x	x	x	x	x	x	x	----	----	x	x	x	x	x	x	x	x	x	x
New York, Ontario & Western	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Pennsylvania	x	----	x	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Baltimore & Eastern	x	----	x	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Pennsylvania-Reading Seashore Lines	x	----	x	x	x	----	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Pittsburgh & West Virginia	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	----	x	x	x	x	x	x	x	x	x	x	x	x	x
Pittsburgh, Chartiers & Youghiogheny	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	----	----	----	----	----	----	----	----	----	----	----	----	----	----
Reading	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
River Terminal	x	x	x	x	x	x	x	x	x	x	x	x	----	x	----	----	----	----	----	x	x	x	----	x	----	----	x	----
Union Depot (Columbus)	x	----	x	x	x	----	x	x	----	x	x	x	x	x	x	----	----	----	----	----	x	x	----	x	----	----	x	----
Union Freight (Boston)	x	----	----	x	x	x	x	x	----	x	x	x	x	x	x	x	x	----	----	x	x	x	x	x	x	x	x	x
Washington Terminal	----	----	----	x	x	----	x	----	----	x	----	x	----	x	----	----	----	----	----	x	x	----	x	----	----	----	x	----
Wheeling & Lake Erie	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Lorain & West Virginia	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

SOUTHEASTERN RAILROADS

Which have authorized their representation by the Southeastern Carriers' Conference Committee—1949 for the purpose of handling the proposals for changes in existing agreements covering Conductors and Trainmen, and certain other classes, as represented by Order of Railway Conductors and Brotherhood of Railroad Trainmen, respectively, as set forth in a certain statement titled "Proposition March 15, 1949" which was served on such railroads on behalf of such employee groups under "Letter of Notice" dated March 15, 1949, and the proposals for revision and/or elimination of certain rules and practices, and for certain additional rules, submitted by such respective Railroads to such Employee Groups under formal notice filed on or between March 18 and 24, 1949, such authority being limited and relating only to those Employee Groups the rates of pay and working conditions of which are governed by existing schedule agreements, under which such employee groups are represented by the organizations indicated by √, and on behalf of which and to which groups such proposals were submitted.

Railroads	O. of R. C.	B. of R. T.	Remarks
Atlantic Coast Line	√	√	
Atlanta & West Point	√	√	(a)
Western Railway of Alabama	√	√	Includes Hocking Div.
Atlanta Joint Terminals		√	
Central of Georgia	√	√	
Charleston & Western Carolina	√	√	
Chesapeake & Ohio—Chesapeake Dist. (a)	√	√	
Clinchfield		√	
Florida East Coast (b)	√	√	(b)
Georgia	√	√	In trusteeship. Any commitment on its behalf is subject to court approval.
Gulf, Mobile & Ohio	√	√	
Jacksonville Terminal		√	
Kentucky & Indiana Terminal		√	
Louisville & Nashville	√	√	
Nashville, Chattanooga & St. Louis	√	√	
Norfolk & Portsmouth Belt Line		√	
Norfolk & Western	√	√	
Richmond, Fredericksburg & Potomac	√	√	
Potomac Yard		√	(c)
Seaboard Air Line	√	√	Includes
Southern (c)	√	√	State University R. R.
Alabama Great Southern (d)	√	√	
Cin. Burnside & Cumberland River		√	
Cin. New Orleans & Texas Pacific	√	√	
Georgia Southern & Florida	√	√	
Harriman & Northeastern	√	√	
New Orleans & Northeastern	√	√	(d)
New Orleans Terminal		√	Includes
St. Johns River Terminal		√	Woodstock & Blocton Ry.
Tennessee Central	√	√	
Virginian	√	√	

SOUTHEASTERN TERRITORY

Proposals for changes in, elimination, and establishment of, certain rules as outlined in a certain document designated Attachment "A" were formally submitted to representatives of Order of Railroad Conductors and Brotherhood of Railroad Trainmen as indicated below.

Railroads	ATTACHMENT "A" SUBMITTED				
	Without change to		With certain omissions to		Items omitted
	O. R. C.	B. R. T.	O. R. C.	B. R. T.	
Atlantic Coast Line	√	√	-------	-------	-------
Atlanta & West Point	√	√	-------	-------	-------
Western Ry. of Alabama	√	√	-------	-------	-------
Atlanta Joint Terminals	o	√	-------	-------	-------
Central of Georgia	√	√	-------	-------	-------
Charleston & Western Carolina	√	√	-------	-------	-------
Chesapeake & Ohio—Chesapeake Dist.	√	√	-------	-------	-------
Clinchfield	o	-------	-------	√	1abc i 2 7 8 16 17
Florida East Coast	-------	-------	√	√	1abcdfhik 8 17
Georgia	√	√	-------	-------	-------
Gulf, Mobile & Ohio	√†	√†	-------	-------	-------
Jacksonville Terminal	o	-------	-------	√	6
Kentucky & Indiana Terminal	o	√	-------	-------	-------
Louisville & Nashville	-------	-------	√	√	1 bc fhik
Nashville, Chattanooga & St. Louis	-------	-------	√	√	l i
Norfolk & Portsmouth Belt Line	o	√	-------	-------	-------
Norfolk & Western	√	√	-------	-------	-------
Richmond, Fredericksburg & Potomac	-------	-------	√	√	1 i
Potomac Yard	o	-------	-------	√	3 5 6 7 8 15 17
Seaboard Air Line	√	√	-------	-------	-------
Southern	√	√	-------	-------	-------
Alabama Great Southern	√	√	-------	-------	-------
Cin. Burnside & Cumberland River	o	√	-------	-------	-------
Cin. New Orleans & Texas Pacific	√	√	-------	-------	-------
Georgia Southern & Florida	√	√	-------	-------	-------
Harriman & Northeastern	√	√	-------	-------	-------
New Orleans & Northeastern	√	√	-------	-------	-------
New Orleans Terminal	o	√	-------	-------	-------
St. Johns River Terminal	o	√	-------	-------	-------
Tennessee Central	-------	-------	√	√	1 i 8
Virginian	√	√	-------	-------	-------

o—O.R.C. does not represent any employee group on this railroad.

†—Included additional provision that—

"Where any existing rule, regulation, interpretation or practice, however established, is more favorable to this carrier than outlined in the above proposal, such rule, regulation, interpretation or practice is retained. Where no rule, regulation, interpretation or practice as to the above proposal exists on this carrier, the fact that the subject matter is included in this proposal is not to be construed as an admission to the contrary, or as an admission that an existing rule, regulation, interpretation or practice is not more favorable than proposed herein."