Report

TO

THE PRESIDENT

BY

Emergency Board

No. 175

APPOINTED BY EXECUTIVE ORDER 11445 DATED JANUARY 13, 1969, PURSUANT TO SECTION 10 OF THE RAILWAY LABOR ACT, AS AMENDED.

To investigate a dispute between carriers represented by the National Railway Labor Conference and the Eastern, Western and Southeastern Carriers' Conference Committees and certain of their employees represented by the Brotherhood of Railroad Signalmen.

(National Mediation Board Case No. A–8433)

WASHINGTON, D.C.

MARCH 7, 1969

LETTER OF TRANSMITTAL

WASHINGTON, D.C., *March 7, 1969.*

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On January 13, 1969, President Johnson, pursuant to Section 10 of the Railway Labor Act, as amended, and by Executive Order 11445, created an Emergency Board to investigate a dispute between carriers represented by the National Railway Labor Conference and certain of their employees represented by the Brotherhood of Railroad Signalmen, a labor organization. That Board, composed of the undersigned, has the honor herewith to submit its report and recommendations based upon its investigation of the issues in dispute.

Respectfully submitted.

LAURENCE E. SEIBEL, *Chairman.*
JACOB SEIDENBERG, *Member.*
ROLF VALTIN, *Member.*

336-258—69

CREATION OF THE EMERGENCY BOARD

Emergency Board No. 175 was created by Executive Order 11445, issued January 13, 1969, pursuant to Section 10 of the Railway Labor Act, as amended, to investigate and report its findings of the unadjusted dispute between the railroad carriers represented by the National Railway Labor Conference (comprised of the Eastern, Western, and Southeastern Carriers' Conference Committees) and certain of their employees represented by the Brotherhood of Railroad Signalmen, a labor organization.

President Johnson appointed the following persons as members of the Board: Laurence E. Seibel, attorney and arbitrator from Washington, D.C., Chairman; Dr. Jacob Seidenberg, attorney and arbitrator from Falls Church, Va., Member; and Rolf Valtin, arbitrator from Washington, D.C., Member. Shortly after the appointment of the Board, the parties agreed to extend the time within which the Board must report its findings to the President until March 7, 1969. On February 6, 1969, this extension was approved by President Nixon.

The Board convened in Washington, D.C., on February 6, 1969, to discuss procedural matters with the parties, and thereafter for 9 days between February 7 and February 17, 1969, held public hearings in Washington, D.C., at which the parties were given full opportunity to present evidence and argument. Subsequently, the Board attempted to mediate the dispute.

BACKGROUND

The Organization represents approximately 10,000 employees who are engaged primarily in the installation, inspection, maintenance, and repair of railroad signal devices and related equipment. These employees are classified by the Interstate Commerce Commission into several Reporting Divisions. The Organization represents virtually all employees classified into the following four Interstate Commerce Commission Reporting Divisions:

Division 45: Gang Foremen (signal and telegraph skilled trades labor)

Division 46: Signalmen and Signal Maintainers

Division 48: Assistant Signalmen and Assistant Signal Maintainers

Division 49: Signalman and Signal Maintainer Helpers

In addition, the Organization represents approximately one-half of the employees in Reporting Division 44, General and Assistant General Foremen and Inspectors (signal, telegraph, and electrical transmission), and some employees in several other Reporting Divisions. The Organization's membership constitutes about 2 percent of total railroad employment and about 3 percent of total railroad nonoperating employment.

On or about March 15, 1967, pursuant to Section 6 of the Railway Labor Act, as amended, the Organization served a notice on most of the Nation's railroads to amend the February 7, 1965, Job Stabilization Agreement. The Carriers' counterproposals were served on or about April 1, 1967. Thereafter, on or about March 1, 1968, the Organization served a notice concerned with requests for wage increases. The Carriers' counterproposals to this notice were served on or about March 25, 1968.

Negotiations were conducted on both a local and a national basis. On August 16, 1968, upon failure to reach an agreement, the parties jointly invoked the services of the National Mediation Board. Mediation efforts proceeded intermittently between September and December. On December 2, the National Mediation Board advised the parties that its efforts had been unsuccessful and urged them to submit the controversy to arbitration. The Organization declined the proffer, while the Carriers indicated their willingness to accept it.

On December 16, the National Mediation Board advised the parties that its services had been terminated under the provisions of the Railway Labor Act and that the employees represented by the Organization were free to withdraw their services on January 15, 1969. The Organization subsequently set a strike date for January 16. On January 13, by Executive Order 11445, President Johnson created this Emergency Board.

Shortly after the appointment of the Emergency Board, but before the proceedings had commenced, the parties agreed to withdraw, without prejudice, the Organization's notice and the Carriers' counterproposals with respect to the February 7, 1965, Job Stabilization Agreement. Hence, the dispute before this Emergency Board is confined to the March 1968 notice and counterproposals.

ISSUES

Attached, as Appendix A and Appendix B, are full statements of the Organization's proposals and the Carriers' counterproposals. The following is a summary:

Organization

1. General wage increases (straight time rates):
   10 percent effective July 1, 1968
   8 percent effective July 1, 1969
   7 percent effective July 1, 1970
2. Additional increases for skilled employees:
   30 cents effective July 1, 1968
   15 cents effective January 1, 1969
   15 cents effective July 1, 1969
   15 cents effective January 1, 1970
   15 cents effective July 1, 1970

3. A cost-of-living escalator clause providing increases to all employees of one cent per hour for each three-tenths of a point change in the Consumer Price Index above the June 1968 base, such adjustments to be effective October 1, 1968, and in each quarter thereafter, but without adjustments below the wage levels yielded by the above proposals.

Carriers

1. Prohibit multiple punitive payments for work performed on holidays.
2. Compulsory retirement at age 65 (attained gradually over a 2-year period).
3. Eliminate sick pay rules.
4. Eliminate requirements of advance notice of force reductions in emergencies.
5. Incorporate the common law damage rule for breach of employment contracts into existing agreements, thus ending the imposition of punitive damages in simple contract grievance disputes.
6. Incorporate into existing agreements a rule which requires the deduction of actual earnings made during a period an employee is wrongfully suspended or dismissed from railroad service from his total railroad wage loss, in arriving at the appropriate amount of recovery.
7. Establishment of entering rates at 20 percent below the current rate for new hires. Current rate to be reached after 5 years.
8. Permit carrier not to work an employee if a punitive rate is involved and use another employee at straight time rate.
9. Adjustments in 40-hour work week rules.

It is to be noted that the Carriers, though insisting that these proposals are meritorious and entitled to respect, not only have expressed their willingness to withdraw them if a settlement of the dispute is reached but also have made general-wage-increase and skilled-inequity-adjustment offers to the Organization.

DISCUSSION AND RECOMMENDATIONS

As we repeatedly indicated to the parties both at the hearing and in our mediation efforts, we view the case as primarily concerned with the skilled wage inequity adjustments which the Electricians A, members of the so-called shopcraft group, received under the September 15, 1967 determination of the Special Board, created by Public Law 90–54, commonly known as the Morse Board. These adjustments consisted of four 5-cent increases, effective April 1, 1967; October 1, 1967; April 1, 1968; and October 1, 1968.

Neither party grants that determinative weight should be given to a comparison between the thus-established wages of Electricians A and the wages of Signalmen (we use the term generically to include all skilled employees represented by the Organization, i.e., all Signalmen and Signal Maintainers and all other equal or higher rated employees). Requesting inequity (and general-wage) adjustments of a much greater magnitude, the Organization—though pointing to the Electricians' wages as a factor that needs to be taken into account—urges a host of other comparative measures as well as a series of more general considerations. The Carriers, though their overall position is of course also made up of numerous and varied contentions, flatly oppose comparison to the Electricians' rates, arguing: (a) that the Morse Board's determination was unconscionably high and that the resulting rates were never agreed to by the Carriers but, rather, were imposed by operation of law; and (b) that nonoperating Organizations other than the Signalmen's Organization—particularly those of the Clerks and of the Maintenance of Way employees—represent some skilled employees of various sorts and that these Organizations have accepted skilled inequity adjustments comparable to the skilled inequity adjustment which the Carriers have offered the Signalmen.

We think the following matters are of overriding significance.

First and foremost, we turn to a comparison in terms of the *nature of the work performed and the type and degree of skill and knowledge required.* Electricians and Signalmen are not identical—no comparison is perfect—but we think it is clear that they are substantially comparable in these respects. We have been led to a number of considerations which confirm it, but perhaps the most telling confirmation lies in the following statement from the Report of Emergency Board No. 159 (which considered the skill level of Signalmen):

> ". . . Under General Order 27 of the Director General of Railroads, as supplemented in 1920, which both parties have referred to as the last time when there was a systematic classification of the various skilled crafts of railroad labor,

signalmen and signal maintainers were placed *in the category of electrical workers first class* and received the same hourly rate as shopcraft employees in the journeyman or mechanic's category." (Emphasis supplied.)

The Carriers have neither challenged the validity of this statement nor contended that there has been a lessening in the level of the Signalmen's skill since the Report of Emergency Board No. 159 was issued in 1964.

Second, until the advent of the Morse Board determination, there had long been the closest of wage relationships between the Signalmen and the Electricians A. The table below covers the period commencing with 1949. It is to be noted, however, that one can go back many more years and find quite the same picture of consistent parity.

Dates	Electricians A	Signalmen (East)	Signalmen (Southeast and West)
Sept 1, 1949	$1.7380	$1.7500	$1.7260
Feb 1, 1951	1.8630	1.8750	1.8510
Dec 1, 1952	1.9030	1.9150	1.8910
Dec 3, 1954	2.0330	2.0450	2.0210
Dec 1, 1955	2.1780	2.1900	2.1660
Nov. 1, 1956	2.2780	2.2900	2.2660
Nov. 1, 1957	2.3480	2.3600	2.3360
Nov. 1, 1958	2.4180	2.4300	2.4060
July 1, 1960	2.6380	2.6500	2.6260
Feb. 1, 1962	2.6780	2.6900	2.6660
May 1, 1962	2.7408	2.7528	2.7288
Jan. 1, 1964	2.8308	2.8528	2.8288
Jan. 1, 1965	2.9450	2.9528	2.9288
Jan. 1, 1966	3.0475	3.0528	3.0288
Jan. 1, 1967	3.2304	3.2054	3.1802
April 1, 1967	3.2804	3.2054	3.1802
Oct. 1, 1967	3.3304	3.2054	3.1802
Jan. 1, 1968	3.3304	3.2855	3.2597
April 1, 1968	3.3804	3.2855	3.2597
July 1, 1968	3.5494	(1)	(1)
Oct. 1, 1968	3.5994	(1)	(1)

[1] Not yet determined.

Disregarding the figures which apply from January 1, 1967, the date from which the Morse Board determination was effective, it seems to us that one cannot help but conclude that these three parties (the Electricians, the Signalmen, and the Carriers) have for years in effect been saying that Electricians and Signalmen are "worth" just about the same wages.

We are aware that the Clerks group and the Maintenance of Way group—so heavily stressed by the Carriers as examples of nonoperating employees who settled in the current wage round with inequity adjustments well below the shopcraft inequity adjustment—have also had a long parallel wage relationship with the Electricians (and various other nonoperating employees). However, though the evidence on job comparability is fragmentary, we have not been convinced that

these two groups can similarly be compared to Electricians from the threefold standpoint of type of work, skill and knowledge.

Third, and here we answer the Organization's plea for the use of various "outside" wage comparisons, it seems to us unquestionably true that the Electricians' 1967–68 skilled inequity adjustment is the most compelling basis for determining the size of a skilled inequity adjustment for the Signalmen. Not only does the Electricians' adjustment beg for consideration because it is "close to home" but also it is an adjustment which is itself founded on a conglometrate of yardsticks.

Fourth, we are aware of the Carriers' strong feelings about the shopcraft determination but we do not think that we can be concerned with whether it was arrived at by agreement or imposed by a law-created Board; who the members of the Board were; whether a different Board would have made different assessments, etc. It is the *fact* of the determination and its implementation which matters. In short, the Electricians' current rates "are there," and it is this which has brought about the disruption of the long and consistent wage relationship between the Electricians and the Signalmen.

On the skilled inequity issue, accordingly, it is our recommendation, as clarified and elaborated upon immediately below, that the Signalmen (as defined earlier) be granted a 20 cent per hour adjustment.

1. We are aware that, on the one hand, the Carriers would prefer to establish a fund from which to make selective distributions based on particular local conditions; and that, on the other hand, the Organization would prefer to have the adjustment applied in terms of a uniform percentage to all the skilled employees. Whatever the virtues in either approach, we think they contain problems which outweigh them. With respect to the Carriers' approach, there could be endless disagreements as to who should receive how must and how little, and—especially since, as will be seen, we are recommending an agreement of relatively short duration—we think that the fund undertaking at this stage would not be in the interest of stability. With respect to the percentage approach, the difficulty is twofold. First, we cannot be certain what the percentage figure would be which would equate, in cost to the Carriers, to 20 cents for all the skilled employees. Second, the primary concern here is with restoring the former wage relationship between the Electricians' rate and the Signalmen's *basic* rate. And, as there is a significantly large number of employees who rate is above the basic rate, the application of the percentage figure which equates to the 20 cents cost would necessarily mean an adjustment of *less than 20 cents* to the "basic" employees. Again, our concern is one of stability: we do not think it would be served by an application under which the higher classified employees would receive an adjustment of

more than 20 cents while the great bulk of the Organization's skilled employees would receive less than 20 cents—or, stating it otherwise, by an adjustment which, for this bulk of the employees, would fail to restore the former Electrician-Signalman wage relationship. For these reasons, we have concluded, and we so recommend, that the inequity adjustment should be in the form of 20 cents per hour for all the skilled employees.

2. As a matter of eliminating any question about it, we state our opinion that the 20 cents adjustment for the empolyees who are paid on a monthly basis should be applied on the basis of the comprehended number of hours per month. What matters here is not that the number of hours actually worked is on the average well below the comprehended number of hours but that the monthly paid employees are subject to working all the comprehended hours and that the parties have made a special arrangement which incorporates the nonpayment of overtime rates for certain hours which otherwise would be paid for at overtime rates.

3. For the following reasons, we recommended that the entire 20 cents adjustment be made effective as of July 1, 1968 and be applied as if it had gone into effect *in advance of* the general percentage wage increase to be applied as of that date.[1] First, given the lag vis-a-vis the Electricians, we think it would be inequitable to apply the adjustment for the Signalmen in the same 4-stage fashion in which the Electricians received it. Second, when one takes into account the compounding effect of the Electricians' 1968 general percentage wage increase on the portion of their inequity adjustment which had gone into effect by the time the 1968 percentage increase was applied, one comes closest to restoring the former Electrician-Signalman wage relationship by first applying the 20 cents adjustment to the Signalmen's rates and thereupon applying their general percentage wage increase.

On the issues of the cost-of-living-adjustment clause, the general wage increase and the duration of the Agreement, our conclusions are essentially the same as those of Emergency Board No. 174, whose Report was issued less than a month ago, on February 12, 1969.

We quote a portion of its conclusion with respect to the cost-of-living-adjustment issue:

> "Escalator arrangements of this sort are not unknown to the railroad industry, although they have been used less in this industry than in some others. Such provisions were included in railroad collective-bargaining agreements between 1956 and 1959. However, it appears that in 1960 the railroads

[1] The assumption here is that the 3.5 percent general wage increase which we are recommending for the second half of 1968 will be accepted and applied.

> and the unions involved saw fit to discontinue all or most of those that they had. We are not shown very convincing reasons why the Board should recommend the reintroduction of escalator arrangements that the parties had abandoned."

We concur, and we therefore recommend that the Organization withdraw this demand.

We think that the Organization has not effectively contested the Carriers' proposal for an Agreement of 18-month duration and that the Carriers have brought convincing support for this proposal. We recommend that it be adopted.

With respect to the general wage increase, the Carriers have offered: 3.5 percent effective July 1, 1968; [2] 2 percent effective January 1, 1969; and 3 percent effective July 1, 1969. The Carriers' argument is that the offer conforms to the pattern for the current wage round in the railroad industry; that 65 percent of all railroad employees—another 10 percent were covered in the proceeding before Emergency Board No. 174—have accepted it; that this includes the employees represented by all the other non-operating organizations, with the exception only of the shopcraft organizations (whose negotiations for the current round have not yet begun); and that the Carriers' policy of equality of treatment among the many labor organizations with which they must deal is of critical importance to all concerned.

Here again, our conclusion so closely parallels that of Emergency Board No. 174 that we once more quote a portion of its Report:

> "This Board agrees with the Organization that the fact that other unions may have accepted a particular pattern of wage increases is not of itself adequate reason why ORCB should accept the same pattern. Each organization is entitled to have its wage demands considered on their own merits. Nevertheless, the fact that a large number of other unions have accepted a particular settlement is a fact of which the Board must take cognizance. A wage increase acceptable to the majority of major railroad unions representing more than a majority of railroad employees is presumptively not grossly unfair or inadequate. . . ."

We think that it was in the skilled inequity area, not the general-wage-increase area, that the Organization had a special problem

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[2] We have heard a great deal from the Organization, but mistakenly, about the fact that the Electricians received a 5-percent increase as of July 1, 1968. The Electricians received a 6-percent increase for the 18-month period from January 1, 1967 until July 1, 1968, and thereupon the 5-percent increase for the remainder of 1968. The Organization, on the other hand, received a 5-percent increase for the 12-month period commencing on January 1, 1967; a 2.5 percent increase for the first half of 1968; and, by the Carriers' proposal, would receive a 3.5 percent increase for the second half of 1968. In each case, it is a matter of 11 percent covering the 2-year period.

which begged for a special response. We have so responded. Our recommendation on the skilled inequity adjustment covers approximately 80 percent of the employees represented by the Organization. Together with the general wage increases offered by the Carriers, the vast majority of the Organization's members would receive a 3-step increase totalling about 14½ percent over an 18-month period. In terms of the rise of the basic Signalman rate, it is a matter of going from $3.2855 to $3.7901 in the East and from $3.2597 to $3.7620 in the Southeast and West. It simply cannot be contended that this is anything less than substantial wage progress.

We recommend, therefore, that the Organization accept the general wage increases which the Carriers have offered.

The parties have informed us that they are in agreement on three matters, which would be adopted if a settlement of this dispute were effected. These are: (a) the insurance item growing out of the September 1, 1967 notice; (b) the "guarantee" of the eight holidays, subject to the preclusion of multiple time-and-a-half payments for work performed on the holidays; and (c) the lowering of the service requirement for two weeks of vacation from three years to two years.

Finally, we recommend that all proposals advanced by either party which are not disposed of by this Report be withdrawn.

Respectfully submitted.

LAURENCE E. SEIBEL, *Chairman.*
JACOB SEIDENBERG, *Member.*
ROLF VALTIN, *Member.*

WASHINGTON, D.C., *March 7, 1969.*

APPENDIX A

PROPOSALS OF THE ORGANIZATION

A. *Adjustment of Straight Time Wage Rates*

1. *First Year Wage Increase.*—Increase all straight time rates of pay for employees covered by the agreement by an amount equal to 10 percent (10%) effective July 1, 1968, applied so as to give effect to this increase in pay irrespective of the method of payment.

2. *Second Year Wage Increase.*—Increase all straight time rates of pay for employees covered by the agreement by an amount equal to 8 percent (8%) effective July 1, 1969, applied so as to give effect to this increase in pay irrespective of the method of payment.

3. *Third Year Wage Increase.*—Increase all straight time rates of pay for employees covered by the agreement by an amount equal to 7 percent (7%) effective July 1, 1970, applied so as to give effect to this increase in pay irrespective of the method of payment.

B. *Additional Adjustment of Straight Time Wage Rates Paid to Skilled Employes*

1. *First Year Skill Differential.*—Increase all straight time rates of pay provided for in part A of this notice for Signalmen, Signal Maintainers, and all others occupying generally recognized mechanics' or higher rated positions covered by the agreement in the amounts of thirty (30) cents per hour effective July 1, 1968, and fifteen (15) cents per hour effective January 1, 1969, applied so as to give effect to these additional increases in pay irrespective of the method of payment.

2. *Second Year Skill Differential.*—Increase all straight time rates of pay provided for in parts A and B, 1 of this notice for Signalmen, Signal Maintainers, and all others occupying generally recognized mechanics' or higher rated positions covered by the agreement in the amounts of fifteen (15) cents per hour effective July 1, 1969, and fifteen (15) cents per hour effective January 1, 1970, applied so as to give effect to these additional increases in pay irrespective of the method of payment.

3. *Third Year Skill Differential.*—Increase all straight time rates of pay provided for in parts A and B, 1 and 2 of this notice for Signalmen, Signal Maintainers, and all others occupying generally recognized mechanics' or higher rated positions covered by the agreement in the amount of fifteen (15) cents per hour effective July 1, 1970, applied so as to give effect to this additional increase in pay irrespective of the method of payment.

C. *Cost of Living Adjustment*

Wage rates established in accordance with paragraphs 1, 2, and 3 of parts A and B above shall be subject to a cost of living adjustment effective October 1, 1968, and each quarter year thereafter. Such cost of living adjustment shall be in the amount of one (1) cent per hour for each three-tenths (.3) of a point change in the Bureau of Labor Statistics Consumer Price Index above the base index figure for June 1968, except that it shall not operate to reduce wage rates below those established under paragraphs 1, 2, and 3 of parts A and B above.

APPENDIX B

COUNTERPROPOSALS OF THE CARRIERS

1. *Compulsory Retirement*

All employees subject to the provisions of this Agreement who are 70 years of age or over must retire from active service no later than 90 days subsequent to the effective date of this Agreement. Thereafter, the mandatory retirement age shall be progressively lowered until it is 65 in accordance with the following schedule:

July 1, 1968—69 years of age
January 1, 1969—68 years of age
July 1, 1969—67 years of age
January 1, 1970—66 years of age
July 1, 1970—65 years of age

Existing agreements which provide for retirement at an earlier age than herein set forth remain in full force and effect.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated, except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

2. *Elimination of sick pay rules*

The Congress having provided for the payment of sickness benefits in amendments to the Railroad Unemployment Insurance Act, it is proposed that:

All agreements, rules, regulations, interpretations, and practices, however established, providing for compensation when employees are absent because of sickness, or that vacancies resulting from absence from duty because of sickness be filled, be eliminated.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated.

3. *Emergency force reductions*

Establish a rule or amend existing rules to provide that in the event of a strike or emergency affecting the operations or business of the Carrier, no advance notice shall be necessary to abolish positions or make force reductions.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated.

4. *Monetary claims*

Establish a rule to provide that no monetary claim based on the failure of the carrier to use an employee to perform work shall be valid unless the claimant was the employee contractually entitled to perform the work and was available and qualified to do so, and no monetary award based on such a claim shall exceed the equivalent of the time actually required to perform the claimed work on a minute basis at the straight time rate, less amounts earned in any

capacity in other railroad employment or outside employment, and less any amounts received as unemployment compensation.

Existing rules, agreements, interpretations, or practices, however established, which provide for penalty payments for failure to use an employee contractually entitled to perform work shall be modified to conform with the foregoing, and where there is no rule, agreement, interpretation, or practice providing for penalty pay, none shall be established by this rule.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated, except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

5. *Discipline and Investigation*

Amend all existing rules, agreements, interpretations, or practices, however established, dealing with discipline and investigation in such manner so as to make the following effective:

> If it is found that an employee has been unjustly suspended or dismissed from service, such employee shall be reinstated with his seniority rights unimpaired and be compensated for wage loss, if any, suffered by him resulting from said suspension or dismissal less any amount earned, or which could have been earned by the exercise of reasonable diligence, during such period of suspension or dismissal.

All agreements, rules, regulations, interpretations, or practices, however established, which conflict with the above shall be eliminated except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

6. *Entering Rates*

Establish a rule, or amend existing rules, to provide that entering rates of pay shall be 80 percent of the established rates, with increases of 4 percent (4%) of the established rate effective on completion of the first and each succeeding year of compensated service until the established rate is reached.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated, except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

7. *Assignment and Use of Employees*

The carrier shall not be required to work an employee if working him would entail payment to him of more than the straight time rate, and use of another person in his place shall not be basis for claims of an employee not used.

All agreements, rules, regulations, interpretations and practices, however established, which conflict with the above shall be eliminated, except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

8. *Prohibition Against Multiple Time and One-Half Payments on Holidays*

Under no circumstances will an employee be allowed more than one time and one-half payment for service performed by him on any day which is a holiday.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated, except that any

existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

9. *Forty-Hour Work Week Rules*

A. Eliminate all agreements, rules, regulations, interpretations, and practices, however established, applicable to the 40-hour work week which are in conflict with the rule set forth in Paragraph B.

B. Establish a rule to provide that:

1. The normal work week of regularly assigned employees shall be 40 hours consisting of 5 days of 8 hours each, with any two consecutive or nonconsecutive days off in each 7. Such work weeks may be staggered in accordance with the carrier's operational requirements.

2. Regular relief assignments may include different starting times, duties and work locations.

3. Nothing in this rule shall constitute a guarantee of any number of hours or days of work or pay.

4. Work performed by a regularly assigned employee on either or both of his assigned rest days shall be paid for at the straight time rates, unless the work performed on either of the assigned rest days would require him to work more than forty straight time hours in the work week, in which event the work performed on either of his rest days in excess of 40 straight time hours in the work week shall be paid for at the rate of time and one-half.

5. Any overtime worked by the employee will be computed into straight time hours and be used for purposes of determining when he has completed his 40-hour work week but not for the purpose of determining when the time and one-half rate is applicable.

All agreements, rules, regulations, interpretations, and practices, however established, which conflict with the above shall be eliminated, except that any existing rules, regulations, interpretations, or practices considered by the carrier to be more favorable may be retained.

U.S. GOVERNMENT PRINTING OFFICE: 1969