

National rail contract ratified

September 2, 2011



A new national rail contract, delivering a 17 percent wage increase over 60 months (18.24 percent when compounded), a 78-month cap on health care insurance contributions and improvements in health care benefits, has been ratified by solid margins by UTU members in each of the six crafts eligible to vote.

The new contract also provides certification pay, a faster process for new hires to reach full pay rates, provides for no work-rules givebacks and has no prior cost-of-living adjustment offsets. Health care plan design changes deliver expanded and improved health care benefits, such as personalized medicine and access to centers of excellence. Personalized medicine assures access to the most up-to-date health care products available, while centers of excellence provide access for members and their families to the most advanced treatment centers in America when serious illness strikes.

Retroactive to Jan. 1, 2010, the ratified contract covers some 38,000 UTU members employed by BNSF, CSX, Kansas City Southern, Norfolk Southern, Soo Line, Union Pacific and numerous smaller carriers ó all represented in national handling by the rail industry's National Carriers' Conference Committee.

Lump-sum payments of the retroactive portion of the wage increases will be paid by the carriers ó 2.0 percent covering the period July 1, 2010, through June 30, 2011, and an additional 2.5 percent from July 1, 2011. (See table, below, for each of the wage hikes under the ratified contract.)

“The 17 percent wage increase over the life of this agreement is significantly higher than the rate of price inflation ó providing a greater boost in purchasing power than any other national contract in the past 40 years,” said UTU International President Mike Futhey, who led the UTU negotiating team.

“The \$200 monthly cap on health care insurance contributions, through July 1, 2016, is less than half what federal workers currently are paying, and is more than \$140 less than the average currently paid by private-sector workers,” Futhey said. “With health care costs continuing to rise, this cap will be even more extraordinary in each successive year of this contract.”

Overall, the contract was ratified by a 60 percent to 40 percent margin. The craft-autonomy provisions of the UTU Constitution require that each craft ratify the agreement ó and each of the six crafts did so by solid margins (see the table, below, for results by each craft).

Telephone voting ó following town hall meetings across the country to discuss the contract ó took place over a 21-day period beginning Aug. 12, with each voting-eligible member mailed a package of materials explaining the agreement. The UTU News and UTU website also provided extensive explanatory materials, with the website offering an opportunity for members to request answers to specific questions.

Votes were tabulated by BallotPoint Election Services, an employee-owned and union-represented firm. Members voted in the craft in which they worked the day prior to the mailing of ballots.

In addition to UTU lead negotiator President Futhey, UTU officers on the negotiating team included Assistant President Arty Martin; National Legislative Director James Stem; UTU International Vice Presidents Robert Kerley and Delbert Strunk; and General Chairpersons John Lesniewski (CSX, GO 049), Pate King (NS, GO 680) and Doyle Turner (CSX, GO 347).

Agreement Wage Hikes

July 1, 2010	2%
July 1, 2011	2.5%
July 1, 2012	3%
July 1, 2013	3%
July 1, 2014	3.5%
Jan. 1, 2015	3%
Compounded Total:	18.24%

Ratification Vote by Craft

Following is how each UTU craft voted in ratifying the national agreement with most major railroads. The votes were certified by BallotPoint.

Craft	For	Against
Conductors	59%	41%
Yardmen	67%	33%
Brakemen	63%	37%
Engineers	53%	47%
Firemen/Hostlers	59%	41%
Yardmasters	68%	32%
Total:	60%	40%