



NEWS

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Rail Conference has first bargaining session

Carriers attempt to crack Rail Labor's solidarity during initial face-to-face meeting

The Teamsters Rail Conference (Brotherhood of Locomotive Engineers and Trainmen (BLET) and the Brotherhood of Maintenance of Way Employees Division (BMWED)), along with four other rail unions conducted its first negotiations with the National Carriers' Conference Committee (NCCC) on January 24, at the NCCC offices in Washington, D.C.

The group of six unions is called the "Rail Labor Bargaining Coalition" (RLBC), which consists of BMWED; BLET; Brotherhood of Railway Signalmen; National Conference of Firemen & Oilers, SEIU; Sheet Metal Workers' International Association; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; and American Train Dispatchers' Association.

The RLBC will bargain collectively with the Carriers regarding wages, rules, and health and welfare issues served in its January 3 Section 6 notices.

A key element of the RLBC structure is the written commitment by each of its members that they will not make a separate agreement with all or some of the Carriers over matters contained in the RLBC's Section 6 notice without the consent of the other Coalition members.

The RLBC's chief spokesman at the January 24 meeting was Roland P. Wilder Jr. of the law firm of Baptiste & Wilder, headquartered in Washington, D.C.

The bargaining session began at 1 p.m. and the parties solely discussed the procedures and form of the negotiations. Bob Allen, the NCCC's chief spokesperson, asked a series of questions about the RLBC members' authority to bargain and constantly probed about the RLBC's internal decision-making process and ratification procedures. Additionally, he asked if the RLBC would be the bargaining agent to discuss the NCCC notices served November 1, 2004, on each of the RLBC member unions.

Wilder told Allen that as to NCCC notices that mirrored RLBC notices, the RLBC would bargain regarding the NCCC notices, as to other NCCC notices, he deferred an answer. This answer clearly upset Allen because he said he had craft-specific issues to discuss with BMWED and BRS (outsourcing) and BLET (single person crews) that surely were of no interest to other RLBC members. In other words, he is looking for a way to cut a stray out of the herd and the RLBC format makes his job much more difficult.

The meeting concluded with no definitive agreement on procedural issues. The NCCC will propose additional meeting dates in the near future, but were not yet available as this publication went to press.

The following day (January 25), the Cooperating Rail Labor Organizations (CRLO) met with the NCCC to discuss the parties' respective Section 6 notices.

Collective Bargaining Update

(The RLBC Health and Welfare notice is identical to those served by the other CRLO unions.)

After CRLO Chairman Bob Scardelletti went over the unions' health and welfare demands, Allen commented that he was "blown away" and "flabbergasted" by the proposal. He considered the notice completely over the top and said there was very little for the parties to discuss. Allen said the Carriers were interested in "cost control" — in other words, the NCCC is seeking increased employee contributions, benefit cuts or other reductions.

Allen proposed going to mediation immediately. Scardelletti said mediation was premature and that the CRLO would caucus and propose new meeting dates in the future. The CRLO held an internal caucus on February 8 and 9.

Based on this first meeting, it was made abundantly clear that the current round of collective bargaining will present great challenges to the Teamsters Rail Conference and the other members of the Rail Labor Bargaining Coalition.

This is the first in a series of articles aimed at keeping members informed during the current round of negotiations. •

A remote control tragedy in Waycross

For more than nine years, the CSX railroad yard in Waycross, Ga., was the safest in America.

But that changed when the railroad began using remote control locomotives.

On January 22, a remote control locomotive struck a CSX employee in the Waycross Hump Yard, resulting in the amputation of his right leg above the knee.

Beginning in the early-1990s, CSX's Waycross Yard was the epitome of safety. Using conventional switching operations, the 60 operating employees at the Yard worked for more than nine consecutive years without an accident or injury.

Their accomplishments were so extraordinary that their employer, CSX Transportation, purchased a full-page ad in the local newspaper to recognize the workers and thank them for their professionalism and dedication to safety. They were also featured in the Spring 2003 issue of *Locomotive Engineers Journal*.

Unfortunately, at the time the *Journal* article was published, it was reported that approximately 37 jobs would be lost to remote control operations, according to Waycross employees.

Sadly, the Waycross incident is just one of many severe accidents to take place throughout the United States since wide-scale implementation of remote control operations began a few years ago.

The U.S. Federal Railroad Administration (FRA) issued recommended guidelines for the operation of remote controlled locomotives during an initial testing phase in early 2002. However, rail companies seized the opportunity and quickly expanded the "pilot project" into the full-blown implementation of remote control technology under the recommended guidelines. In other words, the operation of trains by remote control remains unregulated by any enforceable federal safety rules. To date, the FRA has failed to issue firm regulations to ensure the safety of remote controlled train operations.

Nationwide, yard accidents have markedly increased since 2002, according to statistics provided by the Federal Railroad Administration's Office of Safety. In 2002, there were 984 yard accidents. In 2003, there were 1,089, which is an increase of nine percent. In 2004, there were 1,121, which is an increase of 9.7 percent from the previous year.

The victim in the January 22 Waycross accident was life-flighted to a hospital in Savannah, Ga., for surgery and post-operative care. His fellow employees applied a belt as a tourniquet to stop the bleeding at the scene.

"This tragedy is just another example of the dangers posed by unregulated remote control train operations," said BLET National President Don M. Hahs. "It is a shame that the high level of safety established by the conventional switching crews at Waycross has not been attained by the remote control switching crews. It's clear to me that the bar has been lowered."

MetroLink crash could have been lessened, BLET says

A MetroLink commuter train crash that killed 11 people and injured more than 200 could have been lessened — or possibly avoided altogether — had the railroad operated its trains according to BLET recommendations.

The accident happened just outside Los Angeles on January 26. The train's locomotive was behind the train in a "push" mode, so that a lightweight "cab/car" passenger car was at the point of movement.

The accident occurred when a suicidal man parked his sport utility vehicle on the tracks, but changed his mind about killing himself and bailed out of the SUV prior to impact. (According to reports, one of the vehicle's tires became wedged, which is why the man jumped out of the vehicle instead of driving away.)

The SUV derailed the cab/car and caused an accordion effect, derailing most of the remaining passenger cars. The cars sidswiped and derailed an-

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BLET NEWS

FRA issues switching safety information

Q&As address switching procedures in dark territory following NS's Graniteville crash

The Federal Railroad Administration has issued more switching safety recommendations in the wake of January 6's fatal accident in Graniteville, S.C.

In late January, the FRA issued a series of Questions and Answers to help clarify aspects of its Safety Advisory 2005-01, issued on January 11.

The FRA issued the initial Safety Advisory following the fatal accident in Graniteville, S.C., which resulted in the release of deadly chlorine gas and the loss of nine lives, including that of BLET Member Christopher Seeling.

S.A. 2005-01 basically asks companies to make sure their rules require train crews who handle hand-operated switches to advise a dispatcher after they restore track switches to their normal position.

In its investigation of Norfolk Southern's January 6 accident in Graniteville, the National Transportation Safety Board (NTSB) indicated that a misaligned manual switch may have been one of the factors that resulted in a freight train being diverted from a main track onto a siding and into the path of parked locomotives. The accident happened in dark territory.

The FRA's Operating Practices Division issued Safety Advisory 2005-01 five days after the accident. A copy is available on the BLET website at:

<http://www.ble-t.org/pr/pdf/SwitchSafetyAdvisory011005.pdf>

The follow-up Questions and Answers are as follows:

Q1. Will a timetable special instruction or general order meet the recommendation of an "operating rule" with regard to the implementation of the SA?

A1. Yes.

Q2. Will railroads that currently have a procedure to allow crews to leave main track switches in reverse position, protected by the train dispatcher through a track warrant or similar means, when releasing their limits, still be permitted to do this, i.e., leave the main track switch in reverse position?

A2. Yes. The switch left in the reverse position is protected by the train dispatcher, and even though the track warrant will so state, FRA still recommends that the switch position (reverse) be stated anyway when the crew releases the limits of their main track authority. Naturally, the crew will be referring to their switch position awareness form when they do this.

Q3. Are railroads who permit main track switches to be left in reverse position and protected by track warrant, or similar means, required to have hard coded safety-edit procedures built in to their dispatching systems?

A3. No, although FRA believes it serves as an excellent safeguard, since it prompts the dispatcher to verify the switch position with a member of the crew

before the computer will allow the dispatcher to release the limits of a track warrant.

Q4. Where railroads, such as the LIRR, use distant switch indicators to protect facing point switches in dark territory, would this exempt them from the recommendations the SA? Would the same apply to railroads, such as BNSF, in dark territory, that use signals to govern movements over automatic switches? Ditto for self-restoring power-operated switches on CSX?

A4. Yes, in all three situations.

Q5. Do the provisions of the SA apply to movements wholly within territory where operating rules require movement at restricted speed, or the functional equivalent, such as yard limits or restricted limits?

A5. No, since the strict requirements of these rules impose that train and engine movements proceed prepared to stop within one-half the range of vision, short of an improperly lined switch.

Q6. If a train happens to be within yard limits at the time it reports clear of the limits of its track warrant, do the recommendations contained in the SA apply?

A6. No, since no specific switch is involved at the time a crew reports clear of its limits.

However, FRA suggests that the crew report to the dispatcher that, according to the information recorded on their switch position awareness form, that "all main track switches that we operated within the limits of our main track authority are lined and locked in their proper position."

Q7. If a main track switch is handled multiple times, does each time have to be recorded on the switch position awareness form?

A7. No. Just the first time the switch was reversed, and the last time it was normalled before leaving the area.

Q8. Does the employee actually operating the switch have to be the same one reporting a train clear of the limits, such as when the crew of one train operates the switch for another train, such as at a meeting point?

A8. No. The crew actually operating the switch would record it on their switch position awareness form. The crew that is actually reporting clear of the limits of their main track authority would state, at the time of reporting clear, after verifying with the crew that actually operated the switch, that the switch was restored to normal by the crew of the other train.

Q9. How is the switch position awareness form to be completed when one crew is authorized by track

warrant to leave a main track switch in reverse position, and another crew comes along and is instructed on its track warrant to "normal" the switch?

A9. The switch position awareness form should note this. For example, the crew reversing the switch would show on their form the time the switch was reversed, but in the "time switch lined normal" column, would record that they were authorized by track warrant to leave the switch in reverse. Likewise, the crew that "normalled" the switch would show in the "time switch lined reverse" column, that the switch was authorized to be left reverse by track warrant, and then record the time they "normalled" the switch on their form.

Q10. If, during a torrential rainstorm, the conductor is 50 cars back and reverses the switch, notifies the engineer by radio, and then some 20 minutes later, after the switching moves are complete, "normal" the switch, also notifying the engineer by radio, then walks back up to the engine, is it OK for the engineer to have already filled in his/her initials first, at the actual times the switches were operated, and for the conductor to then record his initials after getting back up on the engine?

A10. FRA is not concerned with who records their initials first on the switch position awareness form. It is merely recommended that all employees record this information on the form as soon as possible and conduct a job briefing.

Q11. Is there a retention period for the switch position awareness form?

A11. No, but FRA recommends that the crew either retain them for a reasonable time, such as for five days or five trips, or turn them in to a designated officer at a terminal for review.

Q12. Are spring switches in dark territory covered by the SA?

A12. No, unless operated by hand by a member of the crew.

Q13. Concerning recording the time and crew's initials on the switch position awareness form whenever a main track switch is reversed, would it be acceptable to just record the name and location of the switch on the form, which would signify that the switch was handled, and then record the time and crew's initials when the switch was finally restored to normal (or authorized to be left in reverse position, as provided in the operating rules)?

A13. Yes. Although the S.A. recommends the time and crew's initials whenever a main track switch is reversed, the absolute safety-critical information is the switch position at the time the crew leaves the immediate vicinity of that switch, and that is the more crucial item that should be recorded on the form. •

Teamsters Disaster Relief Fund offers support, asks for contributions

The Teamsters Disaster Relief Fund recently received an alert for the state of Indiana, which has been ravaged by flooding and winter storms.

Floods swamped Indiana in the first two weeks of January, when an unusual combination of widespread melting ice and snow and approximately nine inches of rain drove some waterways to their highest levels in 70 years in much of the state. The floods



destroyed 128 homes.

If you live in the following counties and have suffered a loss, you may be eligible for relief from the fund. The counties are:

Bartholomew, Benton, Blackford, Boone, Brown, Carroll, Cass, Clark, Clay, Clinton, Crawford, Davies, Decatur, Delaware, Dubois, Floyd, Fountain, Gibson, Grant, Greene, Hamilton, Hancock, Harrison, Hendricks, Henry, Howard,

Huntington, Jackson, Jay, Jennings, Johnson, Knox, Lawrence, Madison, Marion, Martin, Miami, Montgomery, Morgan, Orange, Owen, Parke, Pike, Posey, Putnam, Randolph, Rush, Scott, Shelby, Sullivan, Tippecanoe, Tipton, Vanderburgh, Vermilion, Vigo, Wabash, Warren, Warrick, Washington, Wells and White.

If you have been impacted, please download and fill out the "Request for Help" form by Friday, February 25. For a PDF of the form, go to: [http://www.ble-](http://www.ble-t.org/pr/pdf/disasteralert.pdf)

[t.org/pr/pdf/disasteralert.pdf](http://www.ble-t.org/pr/pdf/disasteralert.pdf)

The IBT is also asking for contributions to provide assistance to members in Indiana.

Please send a donation to the Fund to ensure everyone who is in need gets support and help. Send your check to:

**Teamster Disaster Relief Fund
25 Louisiana Avenue, NW
Washington, DC 20001**

Contributions are tax deductible. •

2004 FOURTH QUARTER

Burlington Northern Santa Fe



Burlington Northern Santa Fe Corporation (BNSF) reported all-time record quarterly earnings of \$0.91 per share, a 49 percent increase over fourth-quarter 2003 earnings of \$0.61 per share. Fourth-quarter 2004 freight revenues increased \$464 million, or 19 percent, to an all-time quarterly record of \$2.92 billion compared with 2003 fourth-quarter revenues of \$2.46 billion. Consumer Products revenues increased \$212 million, or 22 percent, to an all-time quarterly record of \$1.18 billion as a result of double-digit increases in the international intermodal, truckload, and perishables sectors. Industrial Products revenues increased \$89 million, or 16 percent, to \$631 million reflecting strong demand in the building products, petroleum products, and construction products sectors. Coal revenues rose \$90 million, or 17 percent, to \$615 million resulting from record haulage of 66 million tons for utility customers. Agricultural Products revenues were up \$73 million, or 17 percent, to \$492 million driven by strong export moves to the Pacific Northwest.

BNSF's operating ratio improved three and one-half percentage points to 77.1 percent from 80.6 percent in the prior year. •

Canadian Pacific Railway



**CANADIAN
PACIFIC
RAILWAY**

Canadian Pacific Railway reported net income of \$413 million in 2004, compared with \$401 million in 2003. Net income for the 2004 fourth quarter, however, declined to \$129 million compared with \$174 million

in the 2003 fourth quarter. Results in 2004 reflected a decline of \$115 million (\$130 million after tax) in foreign exchange gains on long-term debt, and a reduction of \$172 million in charges (\$111 million after tax) for other specified items, which included a \$91 million charge (\$55 million after tax) for environmental remediation and a \$19 million reversal (\$12 million after tax) related to labor restructuring.

Full-year operating income was \$789 million, an increase of 8 percent excluding other specified items. The railway's revenue was up \$242 million, with significant growth in five of seven business lines, despite a \$130 million reduction caused by the Canadian dollar's gain against the U.S. dollar.

Operating expenses were up \$183 million, and the railway's operating ratio for the full year improved to 79.8 percent, from 80.1 percent (excluding other specified items). •

Kansas City Southern



Driven by record fourth quarter revenues of \$173.7 million, KCS reported substantial quarter-over-quarter gains in revenues and operating income. Consolidated KCS revenues increased to \$174.6 million, a \$26.1 million increase over the 2003 period. KCS operating income for fourth quarter 2004 was \$27.4 million, compared to an operating loss of \$6.8 million in 2003, which was impacted by a \$21.1 million

pre-tax increase in claims reserves.

Highlights for the quarter included: KCS reaching record consolidated revenues in the fourth quarter 2004 of \$174.6 million, an increase of \$26.1 million over fourth quarter 2003; Revenues for fourth quarter 2004 were a record \$173.7 million, increasing \$26.7 million over fourth quarter 2003; KCS and KCSR have reported 7 consecutive quarter-over-quarter gains in revenues; and KCSR's operating income for the fourth quarter 2004 was a record \$31.7 million.

KCSR's enhanced profitability resulted in a fourth quarter 2004 operating ratio of 81.8%, a significant improvement over 86.9% for the fourth quarter 2003. For the full year, KCSR's operating ratio was 84.1%, up from 88.6% in 2003. •

Union Pacific Corp.



Union Pacific Corp. reported an 86 percent drop in net income in the fourth quarter of 2004, compared with the same period in 2003.

The company cited inefficient operations, high fuel prices and a charge for future asbestos claims. Union Pacific, which operates the nation's largest railroad, has struggled with service delays and slow train speeds since fall 2003, when a rapid increase in freight demand coincided with an increase

in retirements by train service workers, cutting into the rail system's capacity. The company said fourth-quarter net income totaled \$79 million, compared with \$551 million in fourth quarter 2003.

The railroad said that because of the poor performance, no executives received end-of-year bonuses. Revenue for the quarter rose to just over \$3.2 billion from more than \$2.96 billion, an 8 percent increase.

For the year, revenue was just over \$12.2 billion, a 6 percent increase from revenue of more than \$11.55 billion in 2003. Net income for the year was \$604

Canadian National Railway



Canadian National Railway Co. said its fourth-quarter profit jumped 68 percent on a sharp rise in revenue from greater commodity shipments during the period. Quarterly income grew to \$376 million from \$224 million in the year-ago period. Revenue gained 15 percent to \$1.74 billion from \$1.51 billion a year earlier. For the year, earnings were \$1.26 billion up from \$1.01 billion in 2003.

CN's quarterly operating ratio was 65.0 percent, a 1.1-percentage point improvement over the fourth-quarter 2003 performance. For the full year, CN's 2004 operating ratio was 66.9 percent, a 2.9-percentage point improvement over the year-earlier performance.

Business levels benefited from the acquisitions of BC Rail and related holdings of Great Lakes Transportation LLC (GLT), which added \$145 million to CN's fourth-quarter 2004 revenues.

Central to CN's performance was strong demand for lumber, chemicals, iron ore, coal, consumer goods from Asia, and Canadian wheat and barley. Six of CN's seven commodity groups registered revenue gains during the fourth quarter. •

CSX Transportation



CSX reported fourth-quarter earnings dropped by about 50 percent, mostly because of charges from the planned sale of its foreign port operations. CSX reported net income of \$66 million in the October-to-December period, compared to \$123 million a year earlier. Earnings were reduced by \$93 million because of last month's agreement to sell CSX's international shipping terminals to Dubai Ports International for \$1.15 billion.

Its fourth quarter 2004 operating ratio was 85.0 percent. For the full year, its operating ratio was 86.6 percent, compared to 87.9 percent for the full year 2003.

The railroad's net earnings were \$66 million, including international terminal's discontinued operations and related tax obligations, which lowered net earnings by \$93 million. Net earnings from continuing operations were \$159 million, up \$47 million, or 42% compared to the prior year's quarter. Surface Transportation operating income, including rail and intermodal operations, was \$315 million, up \$76 million, or 32% compared to the fourth quarter of 2003.

CSX's core Surface Transportation businesses produced operating income of \$315 million in the fourth quarter of 2004 versus \$239 million in the previous year's quarter. •

Norfolk Southern



NS reported record fourth-quarter net income of \$264 million, compared with \$52 million for fourth quarter 2003. Fourth-quarter 2003 was affected by costs related to a voluntary separation program and an asset impairment charge that together reduced the quarter's net income by \$119 million. Excluding the effects of those items, fourth-quarter 2003 net income would have been \$171 million. Net income for 2004 was a record \$923 million, including a third-quarter noncash gain of \$53 million from the Conrail corporate reorganization. Excluding the noncash gain, 2004 net income would have been \$870 million, compared with net income of \$535 million for 2003.

The fourth-quarter and full-year operating ratios were the best since 1998. The fourth-quarter ratio of 76.3 percent was an improvement of 4 percentage points compared with the fourth-quarter 2003 operating ratio. For 2004, the operating ratio was 76.7, 5.2 percent points better than 2003, excluding the voluntary separation charge. The operating ratios in 2003 were 86.6 percent in the fourth quarter and 83.5 percent for the year. •

million, which was 62 percent lower than the company's profit of more than \$1.58 billion in 2003.

The railroad has suffered all year from an unexpected burst of business and not enough train crews or locomotives. It has responded by hiring more people and adding locomotives to its fleet.

Storms in California and Nevada that snarled the railroad's traffic in the West in January could cost more than \$200 million in repairs and lost income for this year's first quarter, though some of that will be recovered from insurance, Union Pacific chairman and chief executive Dick Davidson said.

With high demand expected to continue, the railroad is redesigning its operations in a "Unified Plan" that includes higher prices, turning down less profitable business and increasing the number of nonstop trains, UP officials said.

The railroad's operating ratio for the quarter ballooned to 97.3 percent, compared to 80.1 percent in the 2003 fourth quarter. For the full year 2004, Union Pacific's operating ratio was 89.4 percent, compared to 81.5 percent for the full year 2003.

(From the Associated Press, Omaha World-Herald, and Union Pacific financial statements.) •

EDUCATION & TRAINING NEWS

BLET to conduct Local Chairman Workshop in March

The BLET Education & Training Department will conduct a Local Chairman Workshop on the campus of the University of Illinois in Champaign, Ill, starting on Sunday, March 20, and ending the evening of Thursday, March 24.

Upon successful completion of the course, everyone will qualify for an \$86 per day stipend from the North American Railway Foundation. The stipends will be paid directly to the Secretary-Treasurer of the respective divisions.

Among other assignments, the workshop will include BLET organizational structure and functions, representing members at disciplinary and decertification hearings, union leadership skills, claim and grievance handling, and writing and editing skills. Participants also will learn how to effectively use the BLET arbitration database. A highlight of the workshops is when attendees participate in a simulated disciplinary hearing.

This class is not just for new Local Chairmen, and the BLET encourages all Local Chairmen to attend.

Local Chairmen will register for the 2005 workshop online through the BLET website at: <http://www.ble-t.org/lc>

Members will have to sign up for their rooms in advance and can reserve their room either by check or credit card. Those who do not show up will be charged for the first night's stay. Members will be provided with instructions on how to make room reservations after registering for the workshop through the BLET website.

And, because of the overwhelming response to past workshops, the 2005 workshop will be made available to only Local Chairmen or members of the Local Committee of Adjustment.

The BLET Education & Training Department presents these workshops in conjunction with the National Labor College at the George Meany Center. Workshop instructors will include BLET National Secretary-Treasurer William C. Walpert, BLET Vice-President and Director of Arbitration Richard K. Radek, Special Representative & Coordinator of the Education and Training Department Ken Kroeger, and Assistant Director of the BLET Arbitration Department Marcus Ruef.

The BLET pays the costs of books, equipment, tuition, and a Thursday evening graduation banquet.

2004 General Chairman's Workshop in Cleveland



Numerous General Chairmen and Vice General Chairmen gathered in Cleveland from November 15-19, 2004, for a General Chairman's Workshop at BLET National Division headquarters in Cleveland, Ohio. Class participants and instructors are pictured here:

Seated, from left: Greg Ross, Arbitration Department Manager; Marcus Ruef, Assistant Arbitration Director; Rick Radek, BLET Vice-President and Arbitration Director; and Ken Kroeger, Coordinator of the Education and Training Department; and Bill Walpert, BLET National Secretary-Treasurer.

Standing, from left: Rick Jackman, General Chairman (GC), Elgin, Joliet & Eastern; Craig Carstenson, Vice General Chairman (VGC), Union Pacific-Western Lines; Kevin Peek, VGC, Norfolk Southern-East; Bill Lyons, VGC, CSX-Northern District, Conrail SAA; Mike Twombly, GC, Delaware & Hudson/Springfield Terminal; John Brown, VGC, D&H/ST; Cole Davis, VGC, NS-Northern Lines/Wheeling & Lake Erie; Gary Rowland, VGC, NS-Northern Lines; John Hill, VGC, NS-Northern Lines; Donald Byrom, VGC, Indiana Harbor Belt; George Haskins, VGC, Burlington Northern Santa Fe (SLSF/MNA); Rich Dixon, GC, SEPTA; and John Reynolds, GC, Wisconsin Central.

(Present but not pictured: Gil Gore, GC, UP-Southern Region; and Bill Hannah, GC, UP-Western Lines.)

BLET members who attend are responsible for the cost of transportation, room and board.

Registration for the 2005 workshop is on a first come, first served basis with class size limited to the first 25 who register through the BLET website. For more information, please contact Ken Kroeger of the

BLET Education & Training Dept. at (216) 272-0986 or kroeger@ble-t.org. Details are as follows:

Local Chairman Workshop, March 20-25, 2005 University of Illinois (Champaign, Ill.)

- \$835 per week for single room and board; or
- \$675 per week for double room and board. •

GC of A Secretary-Treasurer refresher course coming on April 12-14

The BLET Education and Training Department will conduct a refresher class for General Committee Secretary-Treasurers from April 12-14 in Cleveland, Ohio.

During the three-day session, GCA S/Ts will review LM-2 reporting, membership reporting, filing reporting requirements, bond requirements, computer applications, and changes for 2005. There will also be a review of methods for filing various Department of Labor and Railroad Retirement reports, as well as Federal tax returns. A representative from the Department of

Labor will be on hand to answer S-Ts' questions and have tips regarding the preparation of LM-2 reports.

Presenters will include Bill Walpert, BLET National Secretary-Treasurer; Dr. Elaine Reese, Director of Compliance; Ken Kroeger, BLET Special Rep & Coordinator of the Education & Training Department; Bob Broka, Director of Records; and Walt Schmidt, Director of Online Services.

The workshop will take place at the BLET National Division headquarters in Cleveland, Ohio (1370 Ontario St.).

Register for the class at <http://www.ble-t.org/gcast>.

www.ble-t.org/gcast.

The class will start at 9 a.m. on April 12 and end at noon on April 14.

Secretary-Treasurers who attend are responsible for their transportation costs as well as their room and board.

A discount rate as been secured at Sheraton Cleveland City Centre Hotel, 777 Saint Clair Avenue NE (This is within walking distance to the National office).

The room rate is \$85 per night. To make your reservations, please call Patti Smith, Administrative Assistant to the NST, at (216) 241-2630, extension

227, or e-mail her your information (name, arrival date, departure date, credit card number and expiration date to hold your room) to: pmsmith@ble-t.org.

Please make your reservations by March 22, 2005. Requests after the cut-off date will be honored on a space-and-rate-availability basis. You may not be able to obtain the discounted rate of \$85 per night.

If you have any questions, please contact Ken Kroeger of the BLET Education & Training Dept. at (216) 272-0986 or kroeger@ble-t.org.

Advanced Local Chairman Workshop at Meany Center scheduled for May 22-27

The Education & Training Department of the Brotherhood of Locomotive Engineers and Trainmen is seeking participants for an advanced Local Chairman Workshop scheduled for May 22-27.

The workshop will take place at the National Labor College on the campus of the George Meany Center in Silver Spring, Md.

The advanced workshop will start the evening of Sunday, May 22, and will

run all day Monday through Friday, concluding with a banquet on Friday night, May 27.

This workshop is one day longer than the regular Local Chairman's workshop and will go into greater detail on writing, claims handling, and investigations. Among other assignments, the students will be given a topic to research and report back to the class; there will be a session on Duty of Fair Representation (DFR); the Rail-

way Labor Act (RLA); and several appeal letters will have to be written on cases passed out in class. Again, a highlight of the workshop is when attendees participate in a simulated disciplinary hearing.

To attend this workshop you must be a current Local Chairman and have completed the first 5-day Local Chairman's workshop. Attendance at a Local Chairman Workshop at a regional convention does not qualify. Local

Chairmen who are interested in registering for the workshop may do so online at <http://www.ble-t.org/leadvance>.

Upon successful completion of the course, everyone will qualify for an \$86 per day stipend from the North American Railway Foundation. The stipends will be paid directly to the Secretary-Treasurer of the respective divisions.

Via Rail: The straight story from TCRC

According to Gilles Halle, President of the Teamsters Canada Rail Conference (TCRC), the UTU is at it again, skewing the facts of a news event for political gain.

Halle called the UTU's recent website posting regarding the Supreme Court of Canada case, Via Rail Canada Inc., et al. v. George Cairns, et al., "a total misstatement of the facts."

The Supreme Court of Canada has not levied any specific fines on the TCRC, BLET or Teamsters, President Halle said. For the UTU to claim so on its website is nothing more than irresponsible speculation, he said.

"The Teamsters Canada Rail Con-

ference views the UTU article in the context that it should be taken — nothing but spin-doctored propaganda. The real intent of this article is to scare the growing number of (the UTU's) Canadian members who are questioning their Canadian autonomy," Halle said.

Regarding the case itself, Halle said it is premature to speculate on the final outcome.

"The next step is to go back to the Canadian Industrial Relations Board and initiate discussions on how to implement their decision," he said. "This will take a few months. There are an abundance of issues that require clarification and any decision on imple-

mentation will require a lot of thought and discussion."

Halle also said the UTU release was misguided in stating that the "BLE" would be responsible for a levy or fine resulting from this lawsuit.

"It is not the union that breached a promise, but rather Via Rail when they said that they were going to give conductors equal opportunity for the engineer positions. Via Rail is the one who has refused all the demands, proposals and resolutions leading to the present outcome. They are the ones who will have to assume the liability, if any."

Halle concluded by stating that UTU membership in Canada is incred-

ibly displeased by the actions of its International leadership. He cited the TCRC's major victory over UTU Canada just last year, when the UTU attempted to raid the former BLE Canada at CP Rail, but the attack completely backfired. A wide majority of UTU membership voted to join the new TCRC rather than stay with the UTU. As a result of the UTU-forced election, the TCRC not only kept 1,700 engineers, but added 2,800 trainmen.

"The UTU news article was issued by very few of their frustrated officers to counteract the legitimate request of their membership in Canada to stop these nonsense attacks," Halle said.

PASSENGER RAIL NEWS

Judge issues TRO to halt LIRR strike threat

The BLET's Long Island Rail Road General Committee of Adjustment's plans to strike over management's illegal use of contractors to move locomotives was halted after a federal judge issued a temporary restraining order (TRO) on January 27.

LIRR General Chairman Bob Evers, said the union would obey the judge's order, but is preparing for a court date on February 18, where it will fight the LIRR's decision to use outside labor to move trains in a Queens maintenance yard.

At issue is warranty work being performed on new M-7 electric cars by the manufacturer, Bombardier of Canada. The railroad leased a Long Island City maintenance shop to Bombardier for the work.

Evers said he doesn't dispute that the railroad is entitled to the warranty work, but the existing union contract stipulates that certified LIRR engineers should move the trains. He said it's a major issue because it could lead to the railroad privatizing other types of work. For example, he said, the railroad could decide to contract or lease the operation of its stations or branches to a private business.

(The New York Daily News) •

Bush budget proposal would eliminate Amtrak

The Bush administration has proposed eliminating operating subsidies for Amtrak as part of a push to cut budget deficits.

Bush's fiscal 2006 budget, which he sent to Congress on February 7, allocated no subsidy for Amtrak to run its trains. But it offered \$360 million for maintenance on the flagship Northeast Corridor between Washington and Boston — which Amtrak owns — and for commuter services.

The proposal must be approved by Congress, and the administration faces

a fight in getting approval for a budget that aims to nearly freeze the growth of domestic spending not tied to national defense.

Many called it Amtrak's most serious threat yet and a stark reality that U.S. transportation planners are serious about dramatically altering or dismantling the rail line.

For the current fiscal year, Bush proposed \$900 million and Congress raised that to \$1.1 billion, of which about \$570 million was operating subsidies. For next fiscal year, the budget includes nothing for operating subsidies and about \$360 million for capital expenses for the Northeast corridor.

(Reuters, New York Times) •

Opinion: Flight attendants score big win in secondhand smoke case

By Phillip L. Polakoff, M.D.
Press Associates, Inc.

A \$500,000 award to a flight attendant who blamed secondhand smoke for her bronchitis and sinus troubles has been upheld by a Florida appeals court. The decision could open the way for damage trials of up to 3,000 similar claims.

The ruling came in a test case for former TWA attendant Lynn French to interpret a \$349 million settlement reached in 1997 between the tobacco industry and nonsmoking attendants.

The flight attendants blamed their illnesses on smoke in the airliner cabin before smoking was banned on domestic flights in 1990. They put their claims on hold pending the outcome of the French case — the first appeal in a system of mini-trials to determine individual damages.

The cigarette makers had argued that each jury should be required to determine whether secondhand smoke could cause disease.

The three-judge panel of Florida's 3rd District Court of Appeal said that question had already been answered in the settlement.

Although still questioning the language of the settlement, the nation's biggest cigarette

makers, as of late in December, had not decided whether to ask the full court for a ruling.

This latest court ruling could focus fresh attention on the subject of secondhand smoke: What is it? How hazardous is it?

Secondhand smoke (SHS) includes both smoke from a burning cigarette, cigar or pipe, and smoke exhaled by smokers.

According to a recent report of the Tobacco Use Prevention Service of the Oklahoma State Department of Health, secondhand smoke is a mixture of more than 4,000 chemicals, many of which are strong irritants.

The report said 53,000 nonsmokers are killed each year by secondhand smoke in the United States. It is ranked as the third-leading cause of preventable death.

The SHS-caused deaths are primarily from cancer, heart disease and breathing disorders.

In 2000, the National Toxicology Program — a tough interdepartmental scientific review process — first listed secondhand smoke as a carcinogen in its periodic report required by Congress.

The Environmental Protection Agency (EPA) estimates that SHS causes 3,000 lung cancer deaths in nonsmokers each year. SHS also causes

nasal sinus cancer.

On the subject of heart disease and stroke, numerous studies confirm that SHS kills more Americans through heart disease than any other disease. Estimates of the SHS-caused heart disease toll in this country range from 35,000 to 62,000 deaths per year.

A 1999 study showed SHS exposure increases the risk of stroke by 58 percent.

A study of 32,000 nurses over several years showed that regular exposure to secondhand smoke at work increased their risk of coronary heart disease by 91 percent. Occasional exposure to SHS increased the risk by 58 percent compared to those who avoided exposure.

For asthma sufferers, SHS can cause immediate danger by triggering attacks. The majority of asthma sufferers report symptoms ranging from discomfort to severe distress from SHS exposure.

• • •

If you have any questions or suggestion for future articles, write Dr. Polakoff at: 171 Alvarado Rd., Berkeley, Calif. 94705. •

Advanced LC Workshop

Continued from Page 4

The BLET Education & Training Department presents these workshops in conjunction with the staff of the George Meany Center. Workshop in-

structors will include: BLET National Secretary-Treasurer William C. Walpert; BLET Vice-President Richard K. Radek; Assistant Director of the BLET Arbitration Department Marcus Ruef; and Special Representative & Coordinator of Education and Training Ken Kroeger.

The BLET pays the costs of books, equipment, tuition, and a Friday evening graduation banquet. BLET members who attend are responsible for their transportation costs as well as the cost of room and board.

Registration for the Advanced Local Chairman workshop is on a first-

come, first-served basis with class size limited to the first 20 who register through the BLET website.

For additional information about this workshop, please contact Ken Kroeger, Coordinator of the BLET Education & Training Dept., at (216) 272-0986 or kroeger@ble-t.org. •

BLET NEWS

Federal income tax and Railroad Retirement benefits

The following questions and answers describe the tax statements issued by the Railroad Retirement Board (RRB) each January for Federal income tax purposes. Railroad retirement beneficiaries needing information about these statements, or tax withholding from their benefits, should contact the nearest office of the RRB. For further Federal income tax information, railroad retirement beneficiaries should contact the nearest office of the Internal Revenue Service.



1. How are the annuities paid under the Railroad Retirement Act treated under the Federal income tax laws?

A railroad retirement annuity is a single payment comprised of one or more of the following components, depending on the annuitant's age, the type of annuity being paid, and other factors: a Social Security Equivalent Benefit (SSEB) portion of tier I, a Non-Social Security Equivalent Benefit (NSSEB) portion of tier I, a tier II benefit, a vested dual benefit, and a supplemental annuity.

In most cases, part of a railroad retirement annuity is treated like a social security benefit for Federal income tax purposes, while other parts of the annuity are treated like private pensions for tax purposes. Consequently, most annuitants are sent two tax statements from the RRB each January, even though they receive only a single annuity payment each month.

2. Which railroad retirement benefits are treated as social security benefits for Federal income tax purposes?

The SSEB portion of tier I (the part of a railroad retirement annuity equivalent to a social security benefit based on comparable earnings) is treated for Federal income tax purposes the same way as a social security benefit. The amount of these benefits that may be subject to Federal income tax, if any, depends on the beneficiary's income.

If taxable pensions, wages, interest, dividends, and other taxable income, plus tax-exempt interest income, plus half of the amount of the social security equivalent benefit payments exceed:

- \$25,000 for an individual, \$32,000 for a married couple filing jointly, and zero for a married individual who files separately but lived with his or her spouse any part of the year, up to 50 percent of these railroad retirement benefit payments may be considered taxable income;

- \$34,000 for an individual, \$44,000 for a married couple filing jointly, and zero for a married individual who files separately but lived with his or her spouse any part of the year, up to 85 percent of these benefits may be taxable.

3. Which railroad retirement benefits are treated like private pensions for Federal income tax purposes?

The NSSEB portion of tier I, along with tier II benefits, vested dual benefits, and supplemental annuities are all treated like private pensions for Federal income tax purposes. In some cases, primarily those in which early retirement benefits are payable to retired employees and spouses between ages 60 and 62, and some occupational disability benefits, the entire annuity may be treated like a private pension. This is because social security benefits based on age and service are not payable before age 62 and social security disability benefit entitlement requires total disability.

4. What information is shown on the railroad retirement tax statements sent to annuitants in January?

One statement, the blue and white Form RRB-1099 for U.S. citizens or residents (or black and white Form RRB-1042S for nonresident aliens), shows the SSEB portion of tier I or special minimum guaranty payments made during the tax year, the amount of any such benefits that an annuitant may have repaid to the RRB during the tax year, and the net amount of these payments after subtracting the repaid amount. The amount of any offset for workers' compensation and the amount of Federal income tax withheld from these payments are also shown. Illustrations and explanations of items found on Form RRB-1099 and Form RRB-1042S can be found in IRS Publication 915, Social Security and Equivalent Railroad Retirement Benefits.

The other statement, the green and white Form RRB-1099-R (for both U.S. citizens and nonresident aliens), shows the NSSEB portion of tier I, tier II, vested dual benefit, and supplemental annuity paid to the annuitant during the tax year, as well as the employee contributions amount. The NSSEB portion of tier I along with tier II are considered contributory pension amounts and are shown as a single combined amount in the Contributory Amount Paid box item on the statement. The vested dual benefit and supplemental annuity are considered noncontributory pension amounts and are shown as separate box items on the statement. Also shown is the amount of Federal income tax withheld from these payments. In addition, the statement shows the amount of any of these prior year benefits repaid by the annuitant to the RRB during the tax year, but this amount is not subtracted from the gross amounts shown because its treatment depends on the years to which the repayment applies and its taxability in those years. To determine the year or years to which the repayment applies, annuitants should contact the RRB. Illustrations and explanations of items found on Form RRB-1099-R can be found in IRS Publication 575, Pension and Annuity Income.

If the annuitant is taxed as a nonresident alien of the United States, Form RRB-1042S and/or Form RRB-1099-R will show the rate of tax with-

holding (0%, 15% or 30%) and country of permanent residence.

The total Part B Medicare premiums deducted from the railroad retirement annuity may also be shown on either Form RRB-1099 (Form RRB-1042S for nonresident aliens) or Form RRB-1099-R.

The statements also include the annuitant's name, current mailing address, RRB claim number and payee code, United States taxpayer identifying number (social security number or individual taxpayer identification number), detailed explanations of all the items on the statements, and the toll-free telephone numbers and Web site addresses of the RRB, the Internal Revenue Service, and the Social Security Administration.

Copy B and/or Copy 2 of Form RRB-1099-R must be submitted with the annuitant's tax return. Annuitants should retain copy C of all statements for their records, especially if they may be required to verify their income in connection with other Government programs.

5. What is the significance of the employee contributions amount?

For railroad retirement annuitants, the employee contributions amount is considered the amount of railroad retirement payroll taxes paid by the employee that exceeds the amount that would have been paid in social security taxes if the employee's railroad service had been covered under the Social Security Act. The employee contributions amount is referred to by the IRS as an employee's investment, or cost, in the contract. Employee contributions are not a payment or income received during the tax year. Only employee and survivor annuitants have an employee contributions amount shown on their Form RRB-1099-R.

The use and recovery of the employee contributions amount is important for annuitants since it affects the amount of taxable income to be reported on income tax returns for a tax year. There is a tax savings advantage in using (recovering) employee contributions since it will reduce the amount of taxable income. Annuitants should refer to IRS Publication 575, Pension and Annuity Income, and Publication 939, General Rule for Pensions and Annuities, for more information concerning the tax treatment of the contributory amount paid (see item 6 below) and use of the employee contributions amount.

6. How are contributory and non-contributory pension amounts taxed?

Amounts shown on Form RRB-1099-R are treated like private pensions and taxed either as contributory pension amounts or as noncontributory pension amounts. The NSSEB portion of tier I and tier II (shown as the contributory amount paid on the statement) are contributory pension amounts. Contributory pension amounts may be fully taxable or partially taxable. Vested dual benefits and supplemental annuities are considered noncontributory pension amounts.

Noncontributory pension amounts are always fully taxable.

For annuitants with annuity beginning dates before July 2, 1986, the contributory amount paid is fully taxable. For annuitants with annuity beginning dates from July 2, 1986, through December 31, 1986, the contributory amount paid is partially nontaxable for the life of the annuitant. For annuitants with annuity beginning dates effective January 1, 1987, and later, the contributory amount paid is partially nontaxable for a specified period of time based on life expectancy as determined by IRS actuarial tables.

The contributory amounts paid of disabled employee annuitants under minimum retirement age are fully taxable. (Minimum retirement age is generally the age at which individuals could retire based on age and service.) Employees who retired based on age and service and disabled employee annuitants who reach minimum retirement age may use the employee contributions amount shown on their Form RRB-1099-R to compute a tax-free portion of their contributory amount paid.

The RRB does not calculate the nontaxable amount of the contributory amount paid for annuitants. Annuitants should contact the IRS or their own tax preparer for assistance in calculating the nontaxable amount of their contributory amount paid. For more information on the tax treatment of the contributory amount paid, vested dual benefits, supplemental annuities, the employee contributions amount, and how to use the IRS actuarial tables, annuitants should refer to IRS Publication 939, General Rule for Pensions and Annuities, and IRS Publication 575, Pension and Annuity Income.

7. Does Form RRB-1099-R show the taxable amount of any contributory railroad retirement benefits or just the total amount of such benefits paid during the tax year?

Since 1993 (tax year 1992), Form RRB-1099-R shows the total amount of any contributory railroad retirement benefits (NSSEB and tier II) paid during the tax year. The RRB does not calculate the taxable amounts. It is up to the annuitant to determine the taxable and tax-free amounts of the contributory amount paid using the employee contributions amount.

8. Can an employee's contributions amount change?

Yes. The employee contributions amount shown on Form RRB-1099-R is based on the latest railroad service and earnings information available on the RRB's records. Railroad service and earnings information (and the corresponding employee contributions amount) often changes in the first year after an employee retires from railroad service. That's when the employee's final railroad service and earnings information is furnished to the RRB by his or her employer. As a result, the employee contributions amount shown on the most recent Form RRB-1099-R may have increased or decreased from a

Severity of Metrolink commuter accident should have been less, BLET says

Push/Pull

Continued from Page 1

other Metrolink train passing in the opposite direction, and caused the derailment of an empty Union Pacific work train in a nearby siding.

Timothy Smith, Chairman of the BLET's California State Legislative Board, learned of the horrific accident at his office in Auburn, Calif., where he had just documented — again — the Brotherhood's opposition to the push/pull system used by Metrolink.

In meetings and in letters with management of Amtrak and Metrolink, as well as with the Federal Railroad Administration, the BLET had repeatedly warned that potentially deadly accidents could be caused by using lightweight cab/cars and passenger cars at the point of movement.

"Had there been a locomotive at the point of movement, this catastrophe would have probably been avoided," Brother Smith said. "The heavier locomotive would have pushed the SUV aside and/or reduced the scale of the derailment significantly."

Instead, 11 people are dead, and Juan Manuel Alvarez, 25, of Compton, Calif. — the driver of the SUV — will be charged with 11 counts of homicide and could face the death penalty. He stood by as the southbound Metrolink train struck his vehicle, derailed and hit the northbound train. It also appeared that he attempted to slash his wrists and stab himself, according to reports.

Among those killed in the crash was Thomas Ormiston, 58, a conductor on one of the trains and a member of the United Transportation Union, as well as James Tutino, 47, a California sheriff's deputy.

The BLET's Safety Task Force was dispatched



The remains of a Metrolink commuter train, torn apart during the January 26 derailment near Los Angeles.

to the scene of the accident and has been an integral part of the National Transportation Safety Board's ongoing investigation. •

Railroad Retirement

Continued from Page 6

previously-issued Form RRB-1099-R.

Any change in an employee contributions amount is fully retroactive to the railroad retirement annuity beginning date. This could affect the taxable amounts reported to the IRS on prior income tax returns. Generally, an increase in the employee contributions amount is advantageous, as it will yield a larger tax-free amount. However, a decrease in the employee contributions amount may be disadvantageous since it may result in an increased tax liability. In any case, annuitants should determine if any change in their employee contributions amount would require them to file original or amended Federal income tax returns for prior tax years.

9. What if a person receives social security as well as railroad retirement benefits?

Railroad retirement annuitants who also received social security benefits during the tax year receive a Form SSA-1099 (or Form SSA-1042S if they are nonresident aliens) from the Social Security Administration. They should add the net social security equivalent or special guaranty amount shown on Form RRB-1099 (or Form RRB-1042S) to the net social security income amount shown on Form SSA-1099 (or Form SSA-1042S) to get the correct total amount of these benefits. They should then enter this total on the Social Security Benefits Worksheet in the instructions for Form 1040 or 1040A to determine if part of their social security and railroad retirement social security equivalent benefits is taxable income.

Additional information on the taxability of these benefits can be found in IRS Publication 915, Social Security and Equivalent Railroad Retirement Benefits.

10. Are the residual lump sums, lump-sum death payments or separation allowance lump-sum amounts paid by the RRB subject to Federal income tax?

No. These amounts are nontaxable and are not subject to Federal income tax. The RRB does not report these amounts on statements.

11. Are Federal income taxes withheld from railroad retirement annuities?

Yes, and the amounts withheld are shown on the statements issued by the RRB each year. However, an annuitant may request that Federal income taxes not be withheld, unless the annuitant is a nonresident alien or a U.S. citizen living outside the United States.

Annuitants can voluntarily choose to have Federal income tax withheld from their SSEB payments. To do so, they must complete IRS Form W-4V, Voluntary Withholding Request, and send it to the RRB. They can choose withholding from their SSEB payments at the following rates: 7 percent, 10 percent, 15 percent, or 25 percent.

Annuitants who wish to have Federal income taxes withheld from their NSSEB and tier II (contributory amount paid), vested dual benefit, and supplemental annuity payments must complete a tax withholding election on Form RRB W-4P, Withholding Certificate For Railroad Retirement Payments, and send it to the RRB. An annuitant is not required to file Form RRB W-4P. If that form is not filed, the RRB will withhold taxes only if the combined portions of the NSSEB and tier II (contributory amount paid), vested dual benefit and supplemental annuity payments are equal to or greater than \$1,472.01. In that case, the RRB withholds taxes as if the annuitant were married and claiming three allowances.

12. How is tax withholding applied to the railroad retirement benefits of nonresident aliens?

Under the Internal Revenue Code, nonresident aliens are subject to a 30-percent tax on income from sources within the United States not connected to a U.S. trade or business. The 30-percent rate applies to all annuity payments exceeding social security equivalent payments and to 85 percent of the annuity portion treated as a social security benefit. The Code also requires the RRB to withhold the tax. The tax can be at a rate lower than 30 percent or can be eliminated entirely if a tax treaty between the United States and the country of residence provides such an exemption, and the nonresident alien completes and sends Form RRB-1001, Nonresident Questionnaire, to the RRB. Form RRB-1001 secures citizenship, residency and tax treaty claim information for nonresident beneficiaries (nonresident aliens or U.S. citizens re-

siding outside the United States).

Form RRB-1001 is sent by the RRB to nonresident aliens every three years to renew the claim for a tax treaty exemption. Failure by a nonresident alien to complete Form RRB-1001 will cause loss of the exemption until the exemption is renewed. Such renewals have no retroactivity. Also, a nonresident alien must include his or her United States taxpayer identifying number on Form RRB-1001. Otherwise, any tax treaty exemption claimed on the form is not valid. The majority of nonresident aliens receiving annuities from the RRB are citizens of Canada, which has a tax treaty with the United States.

If a Canadian citizen claims an exemption under the tax treaty, no tax is withheld from the annuity portion equivalent to a social security benefit and a withholding rate of only 15 percent is applied to those annuity payments exceeding social security equivalent payments.

Additional information concerning the taxation of nonresident aliens can be found in IRS Publication 519, U.S. Tax Guide for Aliens.

13. Are unemployment benefits paid under the Railroad Unemployment Insurance Act subject to Federal income tax?

All unemployment benefit payments are subject to Federal income tax. Each January the RRB sends Form 1099-G to individuals, showing the total amount of railroad unemployment benefits paid during the previous year.

14. Are sickness benefits paid by the RRB subject to Federal income tax?

Sickness benefits paid by the RRB, except for sickness benefits paid for on-the-job injuries, are subject to Federal income tax under the same limitations and conditions that apply to the taxation of sick pay received by workers in other industries. Each January the RRB sends Form W-2 to affected beneficiaries. This form shows the amount of sickness benefits that each beneficiary should include in his or her taxable income.

15. Does the Board withhold Federal income tax from unemployment and sickness benefits?

The RRB withholds Federal income tax from unemployment and sickness benefits only if requested to do so by the beneficiary. A beneficiary can re-

quest withholding of 10 percent of his or her unemployment benefits by filing Form W-4V with the Board. A beneficiary can request withholding from sickness benefits by filing Form W-4S.

16. Are railroad retirement and railroad unemployment and sickness benefits paid by the RRB subject to State income taxes?

The Railroad Retirement and Railroad Unemployment Insurance Acts specifically exempt these benefits from State income taxes.

17. Can a railroad employee claim a tax credit on his or her Federal income tax return if the employer withheld excess railroad retirement taxes during the year?

If any one railroad employer withheld more than the annual maximum amount, the employee must ask that employer to refund the excess. It cannot be claimed on the employee's return.

18. Can a railroad employee working two jobs during the year get a tax credit if excess retirement payroll taxes were withheld by the employers?

Railroad employees who also worked for a nonrailroad social security covered employer in the same year may, under certain circumstances, receive a tax credit equivalent to any excess social security taxes withheld.

Employees who worked for two or more railroads during the year, or who had tier I taxes withheld from their RRB sickness benefits in addition to their railroad earnings, may be eligible for a tax credit of any excess tier I or tier II railroad retirement taxes withheld. The amount of tier I taxes withheld from sickness benefits paid by the RRB is shown on Form W-2 issued to affected beneficiaries. Employees who had tier I taxes withheld from their supplemental sickness benefits may also be eligible for a tax credit of any excess tier I tax.

Such tax credits may be claimed on an employee's Federal income tax return. Employees who worked for two or more railroads, received sickness benefits, or had both railroad retirement and social security taxes withheld from their earnings should see IRS Publication 505, Tax Withholding and Estimated Tax, for information on how to figure any excess railroad retirement or social security tax withheld. •

BLET NEWS

A message from IBT General President James P. Hoffa

Security threat looms over nation's rails

(The following letter to the editor by IBT General President James P. Hoffa was published in the January 26 issue of USA Today.)

In the wake of the tragic Graniteville, S.C., train accident that killed nine — the worst such accident since 1978 — Edward R. Hamburger, President of the Association of American Railroads (AAR), makes the claim in his editorial "Industry is Well Prepared" that the railroad industry has taken steps to enhance security. He touts the industry's cooperation with the federal government as evidence of improvement ("Industry is well prepared," Opposing view, Potential terrorism targets debate, Jan. 12)

Hamburger fails to mention that widespread security concerns for our nation's railroads have grown more dire since the attacks of September 11, 2001. While the federal government has implemented extensive safety and security measures in the aviation industry, it has left security on the railroads almost entirely up to rail corporations.

The Teamsters Union, which represents 70,000 locomotive engineers, trainmen and maintenance of way employees on every major U.S. rail line, has launched a "Safe Rails Secure America" campaign designed to address the very serious safety and security issues on the rails.

Unlike Hamburger and the AAR, the Teamsters do not believe that security on the nation's rail system has increased. In fact, our members report that rail yards, tracks, and equipment are routinely left unsecured; workers

are not regularly advised of heightened terror alerts; and in most cases there are no certified engineers available to assist in case of an emergency or hijacking.

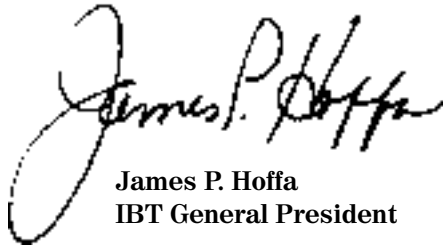
Hamberger's viewpoint downplays the potential for further disasters. The facts, though, are not so comforting:

Forty percent of U.S. rail lines, owned and operated by rail corporations, are in "dark territory," without electronic signals to help prevent accidents like the one in Graniteville.

The railroads, which are the nation's largest transporters of hazardous chemicals, carry about 90,000 shipments of chlorine across the U.S. each year. The Naval Research Lab says the breach of one chlorine tanker in a populated area could result in 100,000 deaths in 30 minutes.

The rail corporations have taken such drastic steps to cut costs that many now operate engines and freight cars in rail yards by remote control — without trained professionals aboard to watch for and protect against accidents.

Our nation cannot accept blindly the assurances of a conflicted industry spokesperson nor leave responsibility for security on our nation's railroads to profit seeking corporations. The facts speak for themselves.



James P. Hoffa
IBT General President

Register for Teamster Women's Conference

We invite all Teamster women to this year's Teamster Women's Conference. It will be held in Niagara Falls, Canada, March 31 through April 3.

There will be workshops and inspiring guest speakers on a variety of topics that impact women in the workplace and in the union movement.

Please be sure to fill out a registration form (PDF) on the BLET website and include the required \$50.00 registration fee. The form is available at: <http://www.ble-t.org/pr/pdf/WomensRegForm05.pdf>

The conference hotel is the Sheraton Fallsview and reservations must be made by February 25 by calling 1-800-267-8439. Tell reservations you are with the IBT group.

We look forward to seeing you at this year's Women's Conference! If you have further questions, please e-mail the IBT Special Events department at: specialevents@teamster.org

Members planning to attend the Teamster Women's Conference can take advantage of the following airline discounts:

Delta, 1-800-241-6760
File number 209919A

FEBRUARY 2005 CALENDAR & EVENTS

MARCH 20-24, 2005... Local Chairman Workshop, University of Illinois (Champaign)
See Page 4 for details and registration information

APRIL 12-14, 2005... GCoFA Secretary-Treasurer Refresher Workshop, Cleveland, Ohio
See Page 4 for details and registration information

MAY 22-27, 2005... Advanced Local Chairman Workshop, George Meany Center
See Page 4 for details and registration information

JUNE 12-17, 2005... 78th Annual Southeastern Meeting Association, Montgomery, Ala.
Hosted by Brother David Bowen and the members of BLET Division 740, the 78th annual SMA will be held at the Embassy Suites Hotel, 300 Tallapoosa St., Montgomery, Ala. The room rate is \$114 per night and reservations can be made by calling: (334) 269-5055.

JUNE 26-30, 2005... 67th Annual Eastern Union Meeting Association, Saratoga Springs
Hosted by Arrangements Chairman Bill Kearsing and the members of Division 46, 67th annual EUMA will be held at the Prime Hotel Saratoga Springs, 534 Broadway, in Saratoga Springs. Brother Kearsing reports that the hotel is now accepting early-bird reservations by calling (518) 584-4000 or (888) 999-4711. Members should ask for the EUMA rate when making reservations, which is \$126 per night. Brother Kearsing can be contacted at (518) 869-2297 or <BKearsing@aol.com>.

JULY 3-8, 2005... 65th Annual International Western Convention, Calgary, Alberta
Hosted by Mike Linkletter and the members of BLET Division 355, the 65th annual IWC will be held at the Fairmont Palliser, 133 9th Ave. SW, in Calgary. Room rates are \$144 per night (Canadian). For details, contact Brother Linkletter at <ble355leg@yahoo.com>.

OCTOBER 2-6, 2005... 70th Annual Southwestern Convention Meeting, Oklahoma City
Hosted by John Salisbury and the members of BLET Division 141, the 70th annual SWCM will be held at the Renaissance Oklahoma City Convention Center Hotel, (405) 228-8000 or (800) 468-3571. More details to come when available.

Advisory Board December Activity

In accordance with the BLET Bylaws, summaries of BLET Advisory Board members' activities are published monthly:

National President Don M. Hahs—National Division office: General supervision of BLET activities; General office duties; International Brotherhood of Teamsters General Executive Board meetings, Washington, D.C.; Site selection meetings and planning for 2006 BLET national convention, Las Vegas; BLET National Division office Christmas party, Cleveland; Holidays.
First Vice-President & Alternate President Edward W. Rodziewicz—Assisted President in general operation of National Division Office; Vice President assignments; Special Representative assignments; Organizing department; Shortline department; Passenger department; Various correspondence & phone calls; IC&E contract mtgs.; Regional NASLB meeting.; NP-NK Local Chairmen mtg.; Advisory Board mtg.; General Chairmen mtgs.; Holiday.
National Secretary-Treasurer William C. Walpert—General supervision of BLET financial, record depts.; ND office; BLET Education & Training Dept.; Internal Organizing, Mobilizing & Strategic Planning Dept.; Safety Task Force; Meetings with vendors and financial institutions; Site selection meetings and planning for 2006 BLET national convention, Las Vegas; BLET national Division office Christmas party, Cleveland; Holidays.
Vice-President Paul T. Sorrow—Public Law Board 6619; Advisory Board mtg.; Grand Trunk Western contract discussions; Wheeling & Lake Erie Section 6 negotiations; Worked on issues involving SBA 1063; Assisted GTW, CSX and NS Northern Lines w/ various issues.
Vice-President Richard K. Radek—ND Office; BLET Decertification Helpline services; Director of Arbitration Dept; National Railroad Adjustment Board (NRAB); Illinois Central; Wisconsin Central; Indiana Harbor Belt; METRA; Belt Rwy. of Chicago; Paducah & Louisville; Chicago Central & Pacific; Metra Section 6 notice prep. mtgs., Chicago; CN/WC agreement negotiations; BRC/IHB negotiations (tentative agreement reached); Manning dispute conf., BRC, Procedural Board prelim. mtgs.; NRAB/Division 294 mtg., Metra; Agreement negotiation assistance, IHB; Division 394 mtg., BRC; Various NRAB arbitration, Boston; Section 6 notice-addendum, Metra, Chicago; General assistance & org., negotiations, CN/WC and IHB, Green Bay; Section 3 NMB hearing conf., re: Arb. filing fee rule making, Des Plaines; Bargaining assistance, IHB, Chicago; BRS general assistance, BRC; FRA Part 240.409 dockets: EQAL 02-67 (Amtrak), 02-52 (UP), 02-01 (Metra).
Vice-President Dale McPherson — CP Rail; Port. Term. RR; Longview Portland & Northern; Longview Switching Co.; Indiana RR; Missouri & Northern Arkansas RR; Utah Railroad; UP Eastern Dist.; UP former CNW; BLET National Bargaining Cmte.; Public Law Boards 5604, 5681, 5721, 6040, 6281, 6589; UP work/rest projects; RSAC positive train control cmte.; General office duties, telephone, correspondence; CP Rail mediation, Washington, D.C.; ASAA mtg., Washington, D.C.; Mtgs. w/ UP Gen. Chairmen, Auto mark/demand rest, Houston; Advisory Board mtg., Cleveland; National General Chairmen's mtgs., Cleveland; CP Rail mediation agreement, St. Paul, Minn.; CP Rail mtg., re: Trackage, rights, territory, Minneapolis.
Vice-President & U.S. Nat'l Legislative Representative Raymond A. Holmes — BLET Washington D.C. office; General office duties, telephone, correspondence; National Association of State Legislative Board Chairmen; Event for Don Young (R-AK); Fundraiser for Cong. Martin Frost (D-TX).
Vice-President Merle W. Geiger Jr.—Assigned to: BLET Trainmen's Department; Kansas City Southern; Gateway Western; Midsouth Rail; Southrail; Texas-Mexican Rwy.; Springfield Terminal, Delaware & Hudson; Indiana & Ohio RR; Louisville & Indiana RR; St. Lawrence & Atlantic RR; Indiana Southern RR; Meetings w/ GC Twombly and D&H, Clifton Park, NY; BNSF GCoFA Christmas party, Fort Worth, Texas; Research, correspondence and general office duties; Holidays and vacation.
Vice-President Stephen D. Speagle—Assigned to Burlington Northern Santa Fe, Montana Rail Link, Pacific Harbor Line; M&NA; Interdivisional meetings, BNSF, Fort Worth; Attend special meetings of Division 155, NS, Decatur; Meeting for Wabash Hospital Assoc., Decatur; Meetings w/ BNSF labor relations, Las Vegas; Office work; Holidays.
Vice-President E.L. "Lee" Pruitt — Assisted general chairmen & members of: UP-Western Lines; UP-Western Region; UP-Central Region; UP-Southern Region; UP-Tacoma Belt; General office duties, telephone paperwork; Arbitration Board 6729, 6730, 6731, 6732, Las Vegas; Assisting GC Donnigan, GCoFA mtgs., West Yellowstone, UPRR GCoFA; Assisting General Chairman Gore, New Orleans, UPRR GCoFA; Trip Rate mtgs., Dallas/Fort Worth, UPRR GCoFA.
Vice-President Paul L. Wingo Jr. — Assigned to NS-Southern Lines and Eastern Region GCoFAs; Iowa, Chicago & Eastern GCoFA; Meridian Southern; New York Susquehanna & Western; New England Central; BLET Rail Security Officer; Special issue, Division 84; Public Law Board, Boston; Division 165 special meeting; Division 59 special issue; IC&E arbitration hearing, Washington, D.C.; Division 239 Christmas party; Office work, study and preparation for contract negotiations and Public Law Boards; Holidays.



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