

THE LOCOMOTIVE ENGINEER NEWSLETTER • SEPTEMBER 2002

BLE, Teamsters move ahead

Announce appointments to joint committees to draft Merger Agreement

The Brotherhood of Locomotive Engineers and the International Brotherhood of Teamsters announced on September 6 the appointment of four joint committees charged with the task of drafting a Merger Agreement for the two organizations.

As previously announced, BLE International President Don M. Hahs and Teamsters President James P. Hoffa will serve as co-chairmen of the Merger Committee, which has oversight of four subcommittees covering constitution and bylaws, legislative, finance, and Canada.

It is anticipated that dates for committee meetings will be set at the joint BLE Advisory Board/IBT General Executive Board meeting on Oct. 3.

The work of the joint committees will be completed in six months. At that time, a Merger Agreement will go to each organization for approval according to each organization's Constitutional requirements. Staff from both Unions will assist in the process as necessary.

The subcommittee members are as follows:

CONSTITUTION AND BYLAWS

- **BLE co-chairman: Ed Rodziewicz, First Vice-President & Alternate President;**
- Leo McCann, President, American Train Dispatchers Department, BLE;
- Paul T. Sorrow, Vice President;
- Dale McPherson, Vice President;
- Larry Sykes, General Chairman, Norfolk Southern;

- Tony Smith, General Chairman, CSXT;
- Gil Gore, General Chairman, Union Pacific;
- Rick Gibbons, General Chairman, BNSF;
- Mark Kenny, General Chairman, Amtrak; and
- Bob Evers, General Chairman, Long Island Rail Road.

IBT co-chairman: C. Thomas Keegel, General Secretary-Treasurer;

- Fred Gegare, International Vice President;
- Patrick Flynn, International Vice President;
- John Murphy, International Vice President;
- Carlow Scalf, Executive Assistant to the General President;
- Charlie Byrnes, Principal Officer, Teamsters Local 926;
- Stuart B. Mundy, Principal Officer, Teamsters Local 251; and
- Steve Vairma, Principal Officer, Teamsters Local 435.

LEGISLATIVE

- **BLE co-chairman: Raymond Holmes, BLE Vice-President & U.S. National Legislative Representative;**
- Jim Keele, Kansas State Legislative Board Chairman;
- George Newman, Massachusetts State Legislative Board Chairman; and
- Tim Smith, California State Legislative Board Chairman.

IBT co-chairman: Mike Mathis, Director, Government Affairs;

- Chuck Mack, International Vice President;
- Fred McLuckie, Legislative Coordinator; and
- Carl DiPietro, State Legislative Coordinator, East Region.

FINANCE

BLE co-chairman: Bill Walpert, General Secretary-Treasurer;

- Joe Cassidy, International Vice-President;
- Jim Nelson, Secretary-Treasurer BNSF-Northern Lines General Committee of Adjustment; and
- Steve L. Christian, Secretary-Treasurer, Arkansas State Legislative Board.

IBT co-chairman: C. Thomas Keegel, General Secretary-Treasurer;

- Richard C. Bell, Executive Assistant to the General Secretary-Treasurer;
- John Steger, International Trustee; and
- Mitzi Montemore, Director of Accounting.

CANADA

- **BLE co-chairmen: Gilles Hallé, BLE Vice-President & Canadian Director, and George Hucker, BLE Vice-President & National Legislative Representative.**

- **IBT Co-chairmen: Robert Bouvier, President of Teamsters Canada; Francois LaPorte, Recording Secretary, Teamsters Local 1998.**

BLE plan to cut fatigue

Leaders of the Brotherhood of Locomotive Engineers presented a three-pronged fatigue countermeasures plan to the railroad industry and government regulators on September 5 at a meeting in Washington, D.C.

The BLE approach to help eliminate fatigue would improve safety in the industry while focusing on three main areas — education, information and empowerment. The plan would give rail operating employees empowerment to call off work if they are fatigued — after completing a set amount of work each month.

Making the presentation on behalf of the BLE were International President Don M. Hahs, Washington State Legislative Board Chairman Dr. Mark Ricci, and Regulatory

Research Coordinator Bob Harvey.

"We've been studying the issue of fatigue for the last 10 years and have enough information to realize we have a problem," President Hahs said in his remarks. "Today we offer the industry a solution, but not the only solution, to this issue."

All Class 1 railroads were present or represented by the Association of American Railroads, while representatives of the Federal Railroad Administration and the National Transportation Safety Board were also in attendance. Several other rail labor unions who work under the Hours of Service Act also attended the presentation.

See Fatigue, Page 8

BLE aids 'whole body vibration' research

The Brotherhood of Locomotive Engineers recently contracted with Dr. Eckard Johanning to perform research on the level of vibration inside locomotive cabs and its effects on train crew members. Dr. Johanning gave a presentation to BLE members at the Eastern Union Meeting Association's opening ceremony on August 19.

Dr. Johanning's research suggests that high levels of whole body vibration, coupled with inadequate seats, may cause chronic back pain and other injuries among operating crew members.

Following internationally accepted measurement



Dr. Eckard Johanning

guidelines, Dr. Johanning's team measured vibration levels inside 22 different U.S. locomotives during normal revenue service.

The report concludes, "Tested locomotive cabs cur-

rently in use (new or old) appear inadequate to reduce potentially harmful vibration and shocks transmitted to the operator..."

The results of his research are published in the July 2002 issue (Vol. 63, No. 4) of the American Industrial Hygiene Association (AIHA) Journal. To read an online version of the article, go to www.aiha.org, and click on "publications/advertising," and then click on "AIHA Journal online."

In his published report, Dr. Johanning acknowledges the BLE for assisting in the research, and, along with the railroads, providing access to conduct his research. •

BLE NEWS

Railroader's leg severed in remote control mishap

A railroader was in critical but stable condition at Queen of the Valley Hospital in Napa Valley, Calif., on September 19 after his left leg was crushed when two train cars collided at a switching yard on September 17.

Kent Kahle, 46, an employee of California Northern Railroad Company, was attaching train cars to an engine using remote control when the accident occurred, Sheriff's Capt. Gene Lyerla said in the September 19 issue of the Napa Valley Register.

Kahle was riding on one of the flat cars used to transport containers when, for an unknown reason, an engine collided with the flatbed, knocking Kahle off the car and pinning him underneath it, Lyerla said.

The accident occurred at about 2:20 p.m. at 498 Napa Junction Road, the railroad company's locomotive storage facility and switching yard.

When American Canyon firefighters arrived at the scene, Kahle was on the ground with major inju-

ries to his left leg, Fire Chief Keith Caldwell said.

"The firefighters immediately began first aid to control the bleeding," Caldwell said.

Kahle was transported by a California Highway Patrol helicopter to the Queen, where he remains in the intensive care unit today (September 18).

Police are still investigating the accident, Lyerla said.

The United Transportation Union reported on its website that the victim is a UTU member, and that the California Northern Railroad Company is owned by Rail America.

On August 6, a remote control accident took place on another Rail America subsidiary, the Puget Sound & Pacific in Shelton, Wash. In that instance, a runaway remote control locomotive and several cars rolled downhill for three miles before colliding with a tractor trailer at the entrance of a lumber mill. No one was injured. •



No one was injured on August 6 when a runaway Puget Sound & Pacific locomotive and several cars crashed into a tractor trailer before coming to a halt just outside of a lumber mill in Shelton, Wash. The PS&P is the second Rail America subsidiary to endure a major remote control accident in the past two months. On September 17, a UTU member on the California Northern Railroad lost his leg in a remote control accident.

Pedestrian's right leg severed in remote control accident

A pedestrian's right leg was amputated at mid-thigh as he became trapped climbing between cars of a Burlington Northern Santa Fe freight train in Galesburg, Ill. The train was being operated by remote control at the time of the accident on August 28.

The victim, Anthony Jones, is a resident of an extended care facility for people with disabilities in the Galesburg area, according to Eric Holland, an attorney with the law firm Rathmann & Holland, LLC.

According to police reports obtained by the BLE, officers found the victim's right leg 50 feet to the south of where his body finally came to a rest. Police also discovered toes from his right foot 75 feet north of the body.

Witnesses said the freight train had come to a halt and blocked the inter-

section of Mulberry and Chambers Streets in Galesburg. Jones climbed between the cars but, apparently, part of his clothing became snagged on the train and he could not free himself. According to police reports, a witness saw Jones running between the cars as the train was backing up. The witness then said Jones was pulled under the train at least twice before it came to a halt.

The train was being operated by two remote control operators at the time of the accident. The train was 5,476 feet long and consisted of 104 cars. The front remote control operator moved the train north out of the yard and then turned over control to the rear remote control operator.

After turning over control of the train's south movement to rear opera-

tor, the front operator was flagged down by a pedestrian and told of the man trapped between the cars. The train was then stopped and they noticed the victim alongside the tracks.

Police reports estimate that Jones became trapped where the track crossed Chambers Street. His body was found 535 feet from this reference point, while his severed right leg was found an additional 50 feet south of the body.

The remote control was clearly a contributing factor in the accident, Holland said.

Holland said a locomotive engineer behind the throttle would have sounded the train's horn before backing up into the yard, which may have given the victim enough of a warning to get away from the train before the movement started.

According to his records, Holland said BNSF had been warned about pedestrians climbing through stopped trains at that grade crossing several times in the past.

Holland finally noted the fact that the remote control train was moving through a public highway-rail grade crossing at the time of the accident, which contradicts management claims that remote technology would be confined to yard areas only.

The Brotherhood of Locomotive Engineers has conducted a series of informational demonstrations throughout the United States this summer in an effort to draw public attention to possible dangers associated with the use of remote control locomotives operated by unqualified personnel. •

CANAC may market over-the-road remote control units in U.S.

In the August 12 issue of the *Pittsburgh Business Times* magazine, an executive vice president of CANAC said his company may some day market remote control technology to U.S. railroads for use in over the road train movements.

However, the article stated that CANAC, a major manufacturer of locomotive remote control technology, is concentrating on marketing its units for rail-yard operations — for now.

The article was based on an interview with Kevin Haugh, CANAC's executive vice president and chief commercial officer.

According to the article, CANAC's BeltPack units, "(C)ould even be used in the future to operate locomotive trains as they travel the country's railways, not just its rail yards. However, a number of hurdles would have to be crossed, such as how railroads would protect road crossings, before that would become a reality, Mr. Haugh said."

Haugh said the firm spent about \$5 million on U.S. marketing of its BeltPack units over the past five years. He also said CANAC hopes to sell 2,000 BeltPack systems — about 500 systems a year — over the next four to five years. Each system costs from \$100,000 to \$135,000.

Haugh said in the article that remote control locomotive technology could generate savings of as much as \$250 million a year in personnel, productivity and safety expenses for Class 1 operators.

Douglas Sizemore, vice president and chief mechanical officer for Kansas City Southern, was also interviewed for the same article. He said the KCS has been satisfied with its BeltPack units.

"It's going to be part of our core operation as we move forward," Sizemore is quoted in the article. "It would be my personal opinion that most large railroads will eventually employ (remote control technology)."

President Hahs reflects on Sept. 11

As BLE members joined all Americans and most citizens of the world in remembrance of September 11, 2001, President Hahs issued the following statement on the one-year anniversary of that tragic day:

"One year ago today, we all watched as our country was viciously attacked by ruthless and cowardly terrorists. As Americans, we were devastated as we watched, helplessly, while the Twin Towers in New York collapsed and the walls of the Pentagon shattered. We saw the flames soar from the plane that was heroically crashed into a field in Pennsylvania after the most courageous of Americans took over United Flight 93 and gave up their own lives to save the lives of countless others by overtaking the hijackers on that flight.

"None of us will ever forget that day, one year ago, nor will we ever forget where we were when we heard the news of the attack. Today, as we mark the one-year anniversary of that tragedy, it is time to appreciate that which we may have taken for granted prior to 9-11: our families, our friends, our love of freedom and our love of this country.

"I hope all BLE members will take time out today to remember the heroes of 9-11, to pray for the families of those who lost loved ones, and to give extra affection to your families and friends. We know how quickly they can be taken away from us.

"BLE members working in passenger and commuter service that fateful day went above and beyond the call of duty in providing transportation to passengers in the New York areas. The fear and anxiety of not knowing what might happen next did not interfere with their dedication to providing service for the people who were in a state of panic.

"As an American, I am proud of the way America has responded to the attack on our country; as a BLE member, I am equally proud of the way our members responded through their generous support of the families of the victims of that attack. Throughout our 139-year history, BLE members have answered the call for help every time it was requested. I know we will continue to do so in the future. For that, I am very proud of this organization and its members." •

Steamtown visit rekindles memories of past

During the Eastern Union Meeting Association's 64th annual convention in Wilkes-Barre, Pa., BLE members in attendance paid a visit to the Steamtown National Historic Site in Scranton, Pa.

Just minutes from where the EUMA was taking place in Wilkes-Barre, many BLE members and their families enjoyed a ride on a steam train, operated by none other than BLE members.

Brother Bernie O'Brien, a retired member of BLE Division 263 (Wilkes-Barre), is a regular volunteer at Steamtown. He served as locomotive engineer on the BLE excursion on August 18.

Bill Withuhn, also a member of BLE Division 263, is probably better known in his role as Curator of Transportation at the Smithsonian's National Museum of American History. He served as the fireman that day.

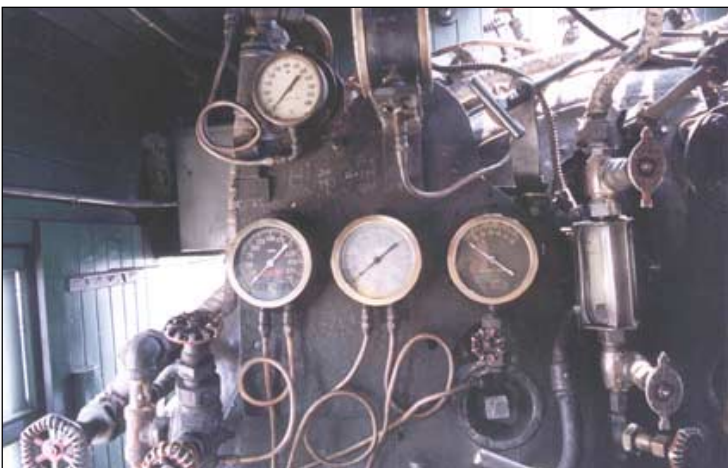
Temperatures in the cab reached over 117 degrees Fahrenheit as the coal burned hot enough to melt steel.

For some BLE members, the trip rekindled memories of the past, when they first hired out on the railroad. For others, it was a first-hand look at the early days of railroading.

Thanks to EUMA Chairman Ken Kertesz for planning and organizing the event. •



Bernie O'Brien at the throttle.



A look inside at the conductor's side of the cab.



BLE International President Don Hahs, right, talks with Brother O'Brien prior to the start of the trip.



Bill Withuhn and Catherine Dimmick, wife of retired BLE member Bill Dimmick (Division 263, Wilkes-Barre).



Heat generated by coal in the firebox boosted temperatures to more than 117 degrees Fahrenheit inside the cab.



The passenger car used by most BLE members on the trip.

EASTERN UNION MEETING ASSOCIATION



EUMA Arrangements Ken Kertesz (at the podium) welcomes everyone to the 64th annual EUMA during opening ceremonies on August 19. Seated, from left, are International President Don Hahs, First Vice-President & Alternate President Ed Rodzicz, General Secretary-Treasurer Bill Walpert, Vice-President & National Legislative Representative-Canada George Huckler, Vice-President Stephen Speagle, Vice-President & U.S. National Legislative Representative Raymond Holmes, and Vice-President Merle Geiger. Brother Kertesz, who is also Chairman of the Pennsylvania State Legislative Board, hosted the EUMA along with members of BLE Division 263 (Wilkes-Barre, Pa.). (Present but not pictured is Vice-President Rick Radek.)



Brother Tom Armstrong, Legislative Representative of BLE Division 793 (Saskatoon), makes an emotional presentation as part of his Crossing Safely program.



Led by J. Kevin Nolty, members of the Cael Mor Pipe and Drum band from Wilkes-Barre played several selections during the opening ceremony, including a tribute to the victims and families of the September 11 tragedy. Standing in the background are members of the BLE Advisory Board and GIA Executive Committee.



From left: Vice-President Merle Geiger and Wisconsin Central General Chairman Jeff Bochman. In the background is D.A. Bowen, Local Chairman of BLE Division 332 (Montgomery, Ala.).



From left: Ray Wagner, Regional Coordinator for CSX Operation Redblock, and Leon Stockwell, Regional Coordinator for the BLE SENSE program on CSX. Wagner belongs to BLE Division 286 (Grand Rapids, Mich.) and Stockwell belongs to Division 561 (Richmond, Va.).



From left: Dan Cook, BLE Division 2 (Jackson, Mich.); his girlfriend Adrienne Davis; and Greg Powell, Chairman of the Michigan State Legislative Board.



EUMA Arrangements Chairman Ken Kertesz with the original charter of Division 263 (Wilkes-Barre, Pa.). The charter, issued in 1884 by Grand Chief Engineer P.M. Arthur, survived the Agnes Flood of 1972 and was recently restored to almost-new condition. It was prominently displayed throughout the EUMA.



George Huckler, BLE Vice-President & National Legislative Representative-Canada, makes a presentation as part of his ongoing program of continuing education for Division LRs throughout Canada.



From left: C.A. Lizarraga, Local Chairman of BLE Division 106 (Muncie, Ind.), and Paul Wingo, Secretary-Treasurer of the Norfolk Southern (Southern Lines) GCoFA.



During the 2002 EUMA, a retirement party was held for former Delaware Hudson/Springfield Terminal General Chairman Charlie Klimek. He is pictured here with his wife, Kathy, and BLE International President Don Hahs. Brother Klimek joined the BLE in 1969 and retired on April 3, 2002.

WILKES-BARRE, PA



Long Island Rail Road General Chairman Bob Evers (background, at podium) checks his notes while CSXT-Northern Lines General Chairman Don Menefee, standing, passes out an agenda during the Eastern General Chairman's meeting.



From left: Paul Osciak and Don Hill, Vice-General Chairmen on SEPTA and members of BLE Division 71 (Philadelphia).



From left: James Lenahan, Local Chairman of Division 263 (Wilkes-Barre), Mike Green, a member of Division 263, and Ken Kertesz, EUMA Arrangements Chairman. On May 14, Brother Green sustained injuries when his train hit a washout and derailed on the banks of the Susquehanna River near Naticoke, Pa. The engine was buried deeply in mud and the cab became filled with a mixture of mud, river water and diesel fuel. Brother Green and his conductor were trapped in the locomotive for eight hours before rescue crews were able to free them.



From left: Onita Wayland, GIA President, Pat Murphy, GIA Alternate International Treasurer, and Brenda Hayes, GIA International Canadian Vice-President & Director, selling raffle tickets for a chance to win \$500 in cash.



From left: Kelly Cassidy and Gerard DiCecco of BLE Division 269 (Jamaica, Long Island, N.Y.).



Division 263 honored three retired members during the banquet on August 21. The retirees are also participating in a steam locomotive engineer documentary produced by Doug Kirkpatrick, far right, of Streamliner Productions in New York City. From left, are Dorothy O'Brien, Bernie O'Brien, Catherine Dimmick, Bill Dimmick, Bill Billings and Doug Kirkpatrick.



From left: Bob Lacey, retired member of BLE Division 3 (Cleveland), Dick Hill, and Bill Thompson, First Vice-Chairman of the Norfolk Southern (Southern Lines) GCoFA.



BLE members enjoyed a "Night at the Races" at the Pocono Downs racetrack.



Mabel Grotzinger, GIA International Vice-President, and Mike O'Bryan, Local Chairman of BLE Division 57.



**We Will
Never Forget**

9-11-01

LABOR DAY 2002

President Hahs optimistic on Labor Day 2002

Editor's Note: The following Labor Day 2002 statement by BLE President Don Hahs was issued on August 30.

The American labor movement is coming off one of the most challenging years to date as we mark our first post-September 11 Labor Day weekend. Thousands of everyday workers were killed on that fateful day, while thousands more are out of work (and out of luck regarding their 401(k)s) in the aftermath of the Enron and Worldcom debacles.

These corporate scandals have shown the American public how a handful of powerful executives could enrich themselves at the expense of hard working Americans. Abraham Lincoln said it best when he wrote, "All that harms labor is treason to America. No line can be drawn between these two. If any man tells you he loves America, yet he hates labor, he is a liar. If a man tells you he trusts America, yet fears labor, he is a fool."

Clearly, the American worker has seen better days, but Labor is fighting back. AFL-CIO President John Sweeney made the following statement during his Labor Day address:

"(U)nions are escalating our work to hold corporations accountable — holding town hall meetings; pushing new laws, regulations and shareholder proposals; working to rein in CEO pay; providing direct help to workers hurt by corporate scandals; monitoring elected officials who prop up malfeasance — and most of all, helping workers organize together to gain a voice at work."

Speaking of organizing, the BLE won an organizing victory on the Texas-Mexican Railway on July 15. A majority of workers selected the BLE as their collective bargaining representative because they believed in solidarity with the House Labor. Most on the Tex Mex believed that joining a rail labor union affiliated with the AFL-CIO was the right thing to do. They made the right choice.

As Frederick Douglass said, "It is a great mistake for any class of laborers to isolate itself and thus weaken the bond of brotherhood between those on whom the burdens and hardship of labor fall."

On the subject of major victories, the BLE won a hard-fought ruling before the National Mediation Board on August 14. The Board ruled in favor of the BLE position to preserve historic operating craft lines on the Kansas City Southern. This marks the second time that the NMB has ruled in the BLE's favor on a Class 1 railroad, emphasizing the fact that distinct and separate operating crafts do indeed exist on the nation's railroads. This was a major victory not only for the BLE, but for all unions.

The BLE had a lot of help from our friends in the Labor movement in making the NMB victory a reality. More than 20 different labor organizations wrote the NMB on BLE's behalf, including the BLE's Passenger Rail Department, the

AFL-CIO, and International Brotherhood of Teamsters, who filed an amicus brief with the NMB. Solidarity was the key.

And even greater solidarity is what we seek with the Teamsters. In pursuing a merger or affiliation with the Teamsters, the BLE is seeking solidarity on the highways and on the railroads of North America.

As the BLE and Teamsters move closer together, I will leave you with this statement on solidarity from Eugene V. Debs:

"Solidarity is not a matter of sentiment but a fact, cold and impassive as the granite foundations of a skyscraper. If the basic elements, identity of interest, clarity of vision, honesty of intent, and oneness of purpose, or any of these is lacking, all sentimental pleas for solidarity, and all other efforts to achieve it will be barren of results."

I wish you a happy and safe Labor Day weekend. •

BLE, GIA members march in Tucson Labor Day parade



Members of BLE Division 28, along with members of GIA "Guadalupe" Auxiliary 28, participated in the annual Tucson, Ariz., Labor Day parade.



From left: Kathy and Jon Hurst run the BLE "locomotive" during the Tucson Labor Day parade. Kathy is the President of GIA Guadalupe Auxiliary 28 and Brother Jon is a former Local Chairman of BLE Division 28. More than 30 members of the BLE and GIA braved temperatures of more than 100 degrees to participate in the event. Division 28 Secretary-Treasurer Rob Beck and Arizona State Legislative Board Chairman Rob Svob planned and organized the BLE-GIA entry.

BLE, Fire Fighters lead Labor Day parade in Charlotte, N.C.

Members of BLE Division 166 marched in the annual Charlotte, N.C., Labor Day Parade on September 2, marking the fourth year in a row the BLE has represented rail labor in the nation's second-largest labor day parade.

"This year's theme is 'Labor to the Rescue,' spotlighting the union members who served and died on 9-11," said Ben Lee, Local Chairman of Division 166 (Charlotte).

Due to its heritage as North America's oldest labor union, the BLE is normally first in line during the parade. This year, however, the BLE conceded that honor to a group of

New York City firefighters, members of the International Association of Fire Fighters, who saved countless lives at the World Trade Center on September 11.

Brother Lee said a small but dedicated group of BLE members marched in the 1.5-mile parade route. He said it's hard for most of his members to participate because many have to work on the holiday.

"It is hard to get many (members) to march because most work on Labor Day morning," Brother Lee said. The ones who do participate, however, "will walk sick, without sleep, in the rain, and then go

straight to work. No questions asked," he said. "They are true friends and BLE Brothers."

The parade kicked-off at 11 a.m. on September 2, and began with a professionally choreographed Broadway-style dance number, featuring a "dancing locomotive engineer." The identity of the dancing engineer, a BLE member, was kept secret until the parade began.

"It (was) me," Lee confessed. "(The music promoter) took one look at me — straight from work in the traditional striped overalls and cap — and decided he wanted me in the dance number most of all." •



From left: Ike Alexander, President of BLE Division 166 (Charlotte, N.C.) and Don Woods, Vice Local Chairman of Division 166, during the annual Charlotte, N.C. Labor Day Parade. Members of Division 166 also carried an anti-remote control banner in the parade in order to draw attention to potential safety hazards associated with the use of remote control technology.

RRB issues annual financial report

Predicts no cash flow problems for 19 years, but long term stability a question mark

The Railroad Retirement Board is required by law to submit annual reports to Congress on the financial condition of the railroad retirement system and the railroad unemployment insurance system. These reports must also include recommendations for any financing changes which may be advisable in order to ensure the solvency of the systems. In June, the Board submitted its 2002 reports on the railroad retirement and unemployment insurance systems.

The following questions and answers summarize the findings of these reports.

1. How much money was in the railroad retirement and railroad unemployment insurance trust funds last year?

By the end of fiscal year 2001, the net position of the railroad retirement trust funds was \$19.8 billion, while the railroad unemployment insurance accounts balance was \$40.1 million.

2. Did the 2002 report on the financial condition of the railroad retirement system reflect any benefit or financing changes?

The report reflects changes in benefit and financing provisions required by the Railroad Retirement and Survivors' Improvement Act of 2001. The benefit changes contained in the new law liberalized early retirement benefits for 30-year employees, eliminated a cap on monthly retirement and disability benefits, lowered the minimum service requirement from 10 years to 5 years of service if performed after 1995, and provided increased benefits for some widow(er)s.

The financing sections of the new law provided for the investment of railroad retirement funds in non-governmental assets, adjustments in the payroll tax rates paid by employers and employees, and a repeal of the supplemental annuity work-hour tax on employers.

Beginning with calendar year 2004, tier II taxes on employers and employees will be based on a 10-year average

of the ratio of certain asset balances to the sum of benefits and administrative expenses (the average account benefits ratio). Depending on this ratio, the tier II tax rate for employers will range between 8.20 percent and 22.10 percent, while the tier II tax rate for employees will be between 0 percent and 4.90 percent.

3. What was the overall finding of the 2002 report on the financial condition of the railroad retirement system?

The 2002 report, which addressed railroad retirement financing during the next 25 years, was generally favorable, concluding that, barring a sudden, unanticipated, large decrease in railroad employment or substantial investment losses, the railroad retirement system will experience no cash-flow problems for at least 19 years. However, the 2002 report also indicated that the long-term stability of the system is still questionable. Under its current financing structure, actual levels of railroad employment and investment returns over the coming years will largely determine whether corrective action is necessary.

4. What methods were used in forecasting the financial condition of the railroad retirement system?

The 2002 report projected the various components of income and outgo of the railroad retirement system under three employment assumptions, utilizing different patterns of changes and decreases in the railroad work force for the 25 calendar years 2002-2026. The projections of these components were combined and the investment income calculated to produce the projected balances in the railroad retirement accounts at the end of each projection year.

Projecting income and outgo under optimistic, moderate and pessimistic employment assumptions, the 2002 report indicated no cash-flow problems occur throughout the 25-year projection period under the optimistic and

moderate assumptions. Under the pessimistic assumption, however, cash-flow problems occur in 2022.

5. How do the results of the 2002 report compare with those of the 2001 report?

The projected account balances are generally not comparable to last year's report because of the significant changes in benefit and financing provisions effected by the Railroad Retirement and Survivors' Improvement Act of 2001.

Projected benefit payments are higher as a result of the new law's benefit liberalizations. Tier II taxes are lower in the initial projection years but increase to higher levels under the moderate and pessimistic assumptions due to the automatic tax adjustment mechanism provided by the new law. Expected investment return is higher due to expanded investment opportunities.

6. Did the 2002 report on the railroad retirement system recommend any financing changes?

The report did not recommend any railroad retirement financing changes. The tax adjustment mechanism provided by the new law will, in any case, automatically increase or decrease tax rates in response to changes in fund balance. Even under a pessimistic employment assumption, this mechanism is expected to prevent cash-flow problems for at least 19 years.

7. What were the findings of the 2002 report on the financial condition of the railroad unemployment insurance system?

The Board's 2002 railroad unemployment insurance financial report was also generally favorable. Even as maximum benefit rates increase 50 percent (from \$50 to \$75) from 2001 to 2012, experience-based contribution rates are expected to keep the unemployment insurance system solvent, except for small, short-term cash-flow

problems in 2002 and 2003. However, projections show a quick repayment of the loans even under the most pessimistic assumption.

Unemployment levels are the single most significant factor affecting the financial status of the railroad unemployment insurance system. However, the system's experience rating provisions, which adjust contribution rates for changing benefit levels, and its surcharge trigger for maintaining a minimum balance help to ensure financial stability in the advent of adverse economic conditions.

Under the experience-rating provisions, each employer's contribution rate is determined by the Railroad Retirement Board on the basis of benefit payments made to the railroad's employees. The report predicted that, even under the most pessimistic assumption, the average employer contribution rate remains well below the maximum throughout the projection period.

The report also predicted that the 2.5 percent surcharge that is in effect in calendar year 2002 would remain at 2.5 percent in 2003, and then revert to 1.5 percent in calendar year 2004. A 1.5 percent surcharge is also somewhat likely in 2005.

8. What methods were used to evaluate the financial condition of the railroad unemployment insurance system?

The economic and employment assumptions used in the unemployment insurance report corresponded to those used in the report on the retirement system. Projections were made for various components of income and outgo under each of three employment assumptions, but for the period 2002-2012, rather than a 25-year period.

9. Did the 2002 report on the railroad unemployment insurance system recommend any financing changes to the system?

No financing changes were recommended at this time by the report. •



Upcoming Railroad Retirement Board informational conferences

The U.S. Railroad Retirement Board will offer free informational conferences for elected BLE officers during 2002. Registration for all conferences begins at 8 a.m.. The program will begin promptly at 8:30 a.m. and will end at 12:30 p.m.

September 27 • Louisville, Ky.
Executive Inn, 978 Phillips Lane

October 4 • Philadelphia, Pa.
Wyndham Philadelphia at Franklin Plaza
17th and Race Streets

October 11 • Houston, Texas
University Hilton Hotel, 4800 Calhoun Rd.

October 18 • Fort Worth, Texas
Holiday Inn South, 100 Alta Mesa East Blvd.

October 18 • Huntington, W.Va.
Radisson Hotel, 2nd Floor banquet room
1001 Third Ave.

October 18 • Pittsburgh, Pa.
Wyndham Philadelphia at Franklin Plaza
17th and Race Streets

October 25 • Albany, N.Y.
Quality Inn of Albany
3 Watervliet Ave. Extension, AV Room

November 8 • Metairie, La.
Holiday Inn Metairie
3400 S. I-10 & Causeway Blvd.

November 15 • Charlotte, N.C.
Sheraton Hotel Airport
3315 S. I-85 & Billy Graham Parkway

November 15 • Albuquerque, N.M.
Sheraton Uptown, 2600 Louisiana Blvd. NE

December 6 • Jacksonville, Fla.
Holiday Inn Baymeadows
9150 Baymeadows Road

BLE NEWS

RCL hearing nears

Neutral picks carrier tie-breaking method for remote control arbitration

On August 16, Francis X. Quinn, the Procedural Neutral in the remote control arbitration, resolved a procedural issue regarding breaking a tie should one arise in arbitration.

Quinn chose the method put forth by the carriers. The carriers proposed that a second neutral be appointed to the board, who would attend all board hearings and consider the written filings, but who would not participate in the board's executive sessions or deliberations. The neutral would cast a sealed vote that would be used only in the case of a deadlock.

The BLE had proposed that the neutral chairman's vote would be the determinative one in case of a deadlock.

The United Transportation Union had proposed that no tie-breaking mechanism be established and that no award could be issued without agreement of a majority of the four person board.

The partisan members of the board will be BLE International President Don M. Hahs, National Carrier's Conference Committee Chairman Robert Allen and UTU International President Byron Boyd. •

BLE fatigue plan would boost safety

Fatigue

Continued from Page 1

The best way to combat fatigue, the BLE said, is a combination of agreements obtained in the collective bargaining arena and Federal rules obtained in the regulatory arena.

In the absence of a negotiated agreement, the BLE presented a proposal that the FRA issue a "Notice of Proposed Rulemaking" and at the same time enter into a negotiated rulemaking process to bring the following rule into federal regulation:

"No railroad employee shall operate railroad equipment, and a Railroad shall not require or permit an employee to operate railroad equipment, while the employee's ability or alertness is so impaired, or so likely to become impaired, through fatigue, illness, or any other cause, as to make it unsafe for him/her to begin or continue to operate the railroad equipment.

"However, in a case of grave emergency where the hazard to rail operations would be increased by compliance with this section, the railroad employee may continue to operate the equipment to the nearest place at which that hazard is removed.

"For the purpose of this regulation, an employee having worked a minimum of 20 starts or 2,600 miles of Hours of Service duty in the previous thirty days, or five starts (equivalent to 650 miles) in the previous 7 days and requesting relief for fatigue will have met the definition of fatigue. A 'start' is defined as any work period that requires a corresponding rest period as prescribed by 49 CFR Ch.II Part 228 Hours of Service of Railroad Employees."

Under this program, an employee would have the right to mark off after meeting certain criteria. However, if any carrier obtains a more effective fatigue program through negotiations with the BLE, then that carrier would be exempt from the proposed rulemaking.

The BLE presentation touched upon many of the same points raised by President Hahs during his testimony before the U.S. Senate's Surface Transportation Subcommittee on July 10. The BLE President noted that 28 BLE members have been killed in the line of duty since 1996, many of them in fatigue-related accidents.

The parties present were not in total agreement with the BLE presentation. However, all did agree that further dialogue is necessary to help solve this critical safety issue. •

SEPTEMBER 2002 CALENDAR & EVENTS

NOVEMBER 10-13... Secretary-Treasurer Workshop, George Meany Center, Silver Spring, Md.
During the three-day session on the campus of the Meany Center, members will learn proper record keeping techniques, computer applications and minute-taking techniques. They will also learn methods for filing various Department of Labor and Railroad Retirement reports, as well as Federal tax returns. The BLE pays the cost of books, equipment, tuition, while BLE members who attend are responsible for the cost of room and board at the Meany Center and for their transportation. To register or for more details, please contact Ken Kroeger of the BLE Education & Training Dept. at (216) 272-0986 or kroeger@ble.org.

FEBRUARY 2-7, 2003... Local Chairman Workshop, George Meany Center, Silver Spring, Md.
Among other assignments, the workshops will include BLE 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 BLE arbitration database. A highlight of the workshops is when attendees participate in a simulated disciplinary hearing. These classes are not just for new Local Chairmen, and the BLE encourages all Local Chairmen to attend one of these workshops. Registration is on a first come, first served basis with class size limited to the first 25 who register. To register, please contact Ken Kroeger of the BLE Education & Training Dept. at (216) 272-0986 or kroeger@ble.org.

JUNE 1-5, 2003... 63rd Annual International Western Convention in Sparks, Nevada
Jeffrey Valentine welcomes BLE and GIA members to Sparks, Nevada, for the 2003 International Western Convention. The 63rd annual IWC will be held at John Ascuaga's Nugget Hotel & Casino in Sparks. For reservations, call (800) 648-1177 and ask for the IWC room rate, or identify yourself as a BLE member. A room rate of \$89 per night has been secured from May 30 through June 7. More details to come when available. Those wishing to contact Chairman Valentine may do so by phone, (775) 857-2013, or by e-mail, <jval@accutek.com>.

JUNE 22-26, 2003... 65th Annual Eastern Union Meeting Association in Baltimore
The 2003 EUMA in downtown Baltimore will coincide with the 175th anniversary of the Baltimore & Ohio Railroad museum. More details to come when available. To be held at the Baltimore Marriott Waterfront Hotel, 700 Aliceanna St., Baltimore, MD, 21202. Reservations can be made by calling (410) 385-3000. Visit the hotel online at: <www.marriott.com/BWIWF>.

Advisory Board August Activity

By action of the delegates at the Fifth Quinquennial Convention, summaries of BLE Advisory Board members' activities are published monthly:

- International President Don M. Hahs**—International Office: General supervision of BLE activities; General office duties; IBT mtgs. on Procedural Agreement; National negotiating team internal mtg.; IWC, Kennewick, mtg. and rally; NASLBC mtgs., Minnesota; Senate Commerce Cmte. rail safety hearing, deliver testimony on safety, fatigue countermeasures; Advisory Board conference call; Mtg. w/ Western General Chairmen, re: remote control.
- First Vice-President & Alternate President Edward W. Rodzwick**—Assisted President in general operation of ID office; General office duties; Assisted various Vice Presidents; Mtg. w/ National Association of State Legislative Board Chairmen; Nat'l. Wage/Rules team mtg.; Eastern Union Meeting Assoc.; Various conference calls w/ General Chairmen; Remote control procedural arbitration hearing.
- General Secretary-Treasurer William C. Walpert**—General supervision of BLE financial and record depts.; ID office; BLE Education & Training Dept.; Internal Organizing, Mobilizing & Strategic Planning Dept.; BLE Safety Task Force; Mtgs. w/ vendors and financial institutions; Nat'l. Association of State Legislative Board Chairmen mtg., Minneapolis; Eastern Union Meeting Assoc., Wilkes-Barre, Pa.
- Vice-President Paul T. Sorrow**—General office duties; Special Board of Adjustment 1063; Public Law Board 519, CSX-Eastern lines; Mtg. w/ National Wage/Rule team; Mtgs. in Mobile, Ala.; Mtgs. in New Orleans w/ Div. 140; Alabama state docks mtgs.; Div. 86 dinner mtg.; Assisted NS, CSX and GTW committees.
- Vice-President Joseph A. Cassidy Jr.**—Mtg. w/ CSXT GC Roberts; Mtg. w/ Designated Legal Counsel; Mtg. w/ Local Chairman Div. 3; Work on representation issue w/ UTU; Go to subcontracted work site, NYS&W; Mtg. w/ NYS&W mngmt.; Mtg. w/ NYS&W grievance cmte.; CSXT Claims mtgs.; Mtg. w/ PLB 1116, CSXT; General office duties, study & paperwork; Mtg. w/ GC Hall; PLB 6468 Executive Session; Mtg. w/ Div. 520; Mtg. w/ EJ&E GCA.
- Vice-President & U.S. Nat'l Legislative Representative Raymond A. Holmes**—Washington D.C. office; Mtg. w/ John Courage, Democratic Congressional candidate, 21st district, Texas; Reception: Senator Johnson (D-SD); NASLBC mtgs., Minneapolis; EUMA, Wilkes-Barre, Pa.
- Vice-President Merle W. Geiger Jr.**—Assigned to following properties: KCS; Midwest; South Rail; Gateway Western; Springfield Terminal; Tex Mex RR; Indiana & Ohio RR; Mtg. w/ GC Parker, Heavener, Okla.; Div. 569 mtg., Heavener, Okla. (KCS); Mtg. w/ GC Leyendecker and Tex Mex; EUMA, Wilkes-Barre, Pa.; General office duties, correspondence.
- Vice-President Stephen D. Speagle**—BNSF; MRL; Div. 428 mtg., St. Louis; Div. 595 mtg. w/ GC; Mtg. w/ MRL on bridging insurance, Missoula, Mont.; Div. 262 mtg., Missoula; Div. 232 mtg., Billings, Mont.; Mtg. w/ Wabash Hosp. Assoc., NS, Decatur, Ill.; EUMA, Wilkes-Barre, Pa.; General office duties.
- Vice-President E.L. "Lee" Pruitt**—Assisted general chairmen & members of the following properties: UP-Western Lines; UP-Western Region; UP-Central Region; UP-Southern Region; Tacoma Belt; General office duties; PLB 180 and PLB 4450, Arbitration SAB 180 and PLB 4450, Denver, Colo. (JPWL, UPWR); Remote control conference call; UPRR work/rest mtg., all UP GCofAs, Chicago; General office duties.
- Vice-President Richard K. Radek**—ID Office; BLE 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; CN/WC labor/management mtgs., Chicago, Madison, Wisc., Fond du Lac, Wisc.; Arbitration-procedural, St. Louis, Chicago; Arbitration prep.-remote control, Rochester, NY; EUMA, Wilkes-Barre, Pa.; General assistance, NRAB, Metra/ various, Chicago; Admin./CBA mtg., IHB; 49 CFR Part 240 proceedings this month: EQAL 2000-51 (UP); 00-41 (NS); 00-84 (UP); 01-06 (CSX); 01-61 (BNSF); 01-26 (UP); 01-18 (UP); 01-27 (UP); 01-29 (UP); 01-23 (UP); 00-67 (UP); 00-79 (UP).
- Vice-President Dale McPherson**—CP Rail; I&M Rail Link; Part. Term. RR; Lonview Portland & Northern; Lonview Switching; Indiana RR; M&NA; Utah RR; UP (Eastern District); UP (former CNW); General office duties; Mtg. w/ M.D. Priestler-GC, CP Rail/IMRL; Contract mtgs., CP Rail-M.D. Priestler; Mtgs. w/ BLE National Wage/Rule team, St. Louis; Mtgs. w/ GC Young, PLB 6040, Cheyenne; PLB 6040 case prep.; UP work/rest scheduling project, Chicago.
- Vice-President & Canadian Director Gilles Hallé**—Ottawa Office; Executive mtg. at ID, Cleveland; Mtg. w/ VP Labor Relations, CN Rail, Ottawa; Mtg. w/ B. Toole, B. Brunet, Montreal; Mtgs. w/ VIA Rail, Montreal; CN Pension Board/LTD mtg., Montreal; VIA Counsels mtg. Pineau hearings, Montreal.
- Vice-President & National Legislative Representative-Canada T. George Hucker**—Ottawa Office; National Legislative Board-Canada; National Association of State Legislative Board Chairmen, Minneapolis; Employee benefits conference, Halifax; EUMA, Wilkes-Barre, Pa.; CCROU negotiations, Toronto; BLE LTD, Toronto.

Decertification Helpline

(800) 393-2716

The railroad industry's first and only hotline for engineers facing possible decertification events, offered exclusively by the Brotherhood of Locomotive Engineers.



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