

CIRCULAR LETTER NO. 3

February 20, 2004

TO ALL LOCAL CHAIRPERSONS:

Dear Sirs and Brothers:

As an on-going process - in the General Chairman's office, we send out Circular Letters as circumstances dictate in regard to issues that are of importance to all of our Membership. We are requesting that you read these documents at your Union Meetings for the Membership's benefit and also place them on bulletin boards for those Members who cannot attend the Union Meeting. Incorporated below are issues of importance for our Membership.

◆ TEAMSTERS COMPENSATION VS. ENGINE AND TRAIN SERVICE COMPENSATION

Attached hereto is an Article from Traffic World magazine pertaining to the new Hours of Service rule for the trucking industry that was enacted by the federal government. An interesting fact in the Article indicates the Teamster truck drivers are at the top of the pecking order with respect to earnings of \$60,000.00 per year gross salary. Many engineers earn \$70,000.00 to \$85,000.00 per year, with some earning over \$100,000.00 per year. The engineers have a superior health care plan, their benefit package exceeds a value of over \$30,000.00 per year. The question that begs an answer is, where will the Teamsters place their emphasis at the bargaining table? Will they concentrate on raising the wages of almost 1.4 million members who earn substantially less than the engineer counterpart. Or will they concentrate their efforts on the 25,000 to 28,000 engineers who already earn more than 98% of the Teamster membership? I think we all know the answer to that question - the tail is not going to wag the dog.

The UTU has lead the National negotiations for the past forty (40) years. The BLE has followed with their "me to" mentality. Thus, it is evident the higher Teamster/BLET engineer pay scales are a by product of UTU negotiations over the years.

The fact is the shippers of the world only have a finite number of goods and services to ship. This means there is a finite number of transportation dollars to split between the railroads and trucking companies to pay the wages of their employees. Are you willing to permit 1.4 million Teamsters to dictate what portion of the transportation dollar pie the train and engine service employees deserve?

The Teamsters have indicated they want to eliminate the UTU. If that happens, who negotiates for the engineers and trainmen; the lower paid truck drivers? The easiest way for an engineer to get a substantial increase in pay over the next years is to eliminate another employee. The BLE has already eliminated the fireman for \$1.50, who is next? The answer is obvious, the conductor. That is why it is important for the Teamster's/BLET to secure the trainmen's contract. They cannot sign away an agreement they do not hold. If you do not believe it can happen, I only need to remind the trainmen of BLE Lake Erie Plan, wherein the former BLE went on record nationally they would aid the Carrier's with the elimination of trainmen for a small token. Via Rail in Canada is a prime example, BLE secured the trainmen's contract, and with a stroke of the pen, and collusion with Via Rail management, the trainmen were eliminated from the trains. The BLE trainmen had to enlist the help of the UTU's legal department and sue both BLE and Via Rail for their jobs and backpay. Fortunately, because of the UTU, the BLE trainmen were successful. The BLE is still using every legal shenanigan to delay these court ordered payments to their trainmen.

The BLE is on record that a engineer and co-engineer is their preferred crew consist. Of course, when there is a decline in business, or the Carrier determines there is no need for a co-engineer, where does the co-engineer flow back to, the street?

In closing, trainmen who belong to the BLE finance through their dues dollars the demise of their craft, pension, economic future and weaken the UTU's bargaining strength for the train service crafts they represent.

◆ **SMOKING POLICY CHANGES NOTICE - UNION PACIFIC**

This Office is in receipt of a letter addressed to "Dear Employee" wherein Union Pacific Senior Vice President Human Resources Barbara Schaefer indicates at some point in the future the Union Pacific plans to eliminate smoking everywhere on the Union Pacific property. Union Pacific's no smoking policy is in response to the health risks associated with smoking and "second-hand smoke".

As the public has come to accept this fact, behavior has changed. A practice that once was socially acceptable has now become largely unacceptable in most places. Many buildings, restaurants and public meeting places, companies and airlines have become smoke-free zones. Regulations and policies to restrict smoking have been developed for many reasons, but two of the most common have been to encourage smokers to quit and to reduce the contact that non-smokers have with second-hand smoke.

Clearly it is the Offices position if the Carrier plans to eliminate smoking while on duty and/or on company property, smoking cessation programs or clinics must be offered that accommodate the employees work schedules. The employees must be guaranteed compensated time off to participate in these smoking cessation programs or clinics.

We will keep you posted as this situation progresses.

Trusting this information will aid you in keeping our Membership informed of issues confronting us. With best personal wishes, I remain

Fraternal ly yours,

John W. Babler
General Chairman, G. C. A.

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Attachment

cc: Byron Boyd, Jr. President - UTU
Paul Thompson, Assistant President - UTU
Dan Johnson, III - General Secretary/Treasurer - UTU

