

CIRCULAR LETTER NO. 16

August 13, 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.

YARD EXTRA BOARD BONUS DAY:

Article III, Section VI of the October 31, 2003 Memorandum Agreement provides for the payment of "one additional day's pay at the applicable pro-rated guarantee rate". Question Number 16 further clarifies that "the bonus day will be allowed one basic day's pay, which amounts to one tenth (1/10) of the guarantee". This office has received information that the bonus day is being paid at incorrect rates. (See attached letter) Please canvass your membership and determine that the payments are being made correctly. Employees who have been paid at incorrect rates should submit a timeslip claiming the correct rate for the appropriate payroll period.

HEALTH CARE OPT-OUT PAYMENT:

Employees who exercise the option to opt-out of the group health care coverage are entitled to receive a \$100.00 per month payment from the carrier. This office has learned that although the payment is being made, it is not listed as a separate item on the employees earnings statement. To check for proper payment the employee should total the daily amounts paid, and compare to the gross earnings paid. The \$100.00 should be reflected as a difference between the amounts. If a member believes the payment is missing, please forward the information to this office.

FAIRMONT-WORTHINGTON ID SERVICE:

The carrier has served notice to implement interdivisional service between Sioux City -

Mason City - St. James effective August 16, 2004, under the provisions of the June 28, 2004 agreement.

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ES **TEAMSTER MOTIVES QUESTIONED:**

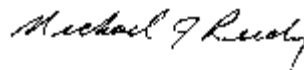
There is a growing awareness that the sudden, recent interest in rail labor expressed by the teamsters organization has a hidden agenda. Why the sudden interest in a small labor organization whose national membership barely exceeds that of some teamster locals? Why assume the massive liability of the Canadian BLE organization resulting from their sellout of the Trainmen on Via Rail?

Recent news articles have focused on the crises faced by private pension funds, in particular in the airline industry. Private corporations are abandoning their obligations to fund their employee's pension plans. These same corporations reaped billions of tax incentives and deductions over the years for their contributions, and are now attempting to avoid payment of the benefits. Teamster pension plans are not exempt. Facing billions of dollars in under funding, the teamster pension plans are reducing benefits and changing the eligibility requirements.

On November 29, 2000, then BLE president Dubroski, quoted on the official BLE web page, attributed the rejection of a merger with the UTU on an alleged \$11 million liability. What is enticing the teamsters to pursue this merger carrying an \$52.9 million price tag? I believe the enclosed material will reveal the teamster's true intentions.

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

Fraternal ly yours,



Michael J. Reedy
General Chairman, G. C. A.

MJR: j g

Attachments

cc: Paul Thompson, President - UTU
Rick Marceau, Assistant President - UTU

Dan Johnson, III - General Secretary/Treasurer - UTU