

united transportation union



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GENERAL COMMITTEE OF ADJUSTMENT GO-001
BURLINGTON NORTHERN SANTA FE RAILROAD
DULUTH & NORTHEASTERN RAILROAD
RED RIVER VALLEY & WESTERN RAILROAD
SAND SPRINGS RAILWAY

March 31, 2006

Local Chairpersons GO-001
United Transportation Union
BNSF Railway Company

Re: BNSF Profit Sharing Propaganda

Dear Brothers and Sisters:

Several of you have reported that BNSF has placed a "pop-up" message on employees' tie-up screens that includes a link to the Labor Relations Web Page and an article in which UTU is criticized for filing suit in response to the Carrier's invitation to a presentation of BNSF's profit-sharing plan. That article gives the impression that BNSF is trying to give UTU members more money, but the Union won't allow it. You know what they say about that which sounds too good to be true.

There is no doubt that BNSF and the other Carriers in National Handling are frustrated with their recent losses in the courts, essentially telling them that their Section Six Notices on Crew Consist and FELA are simply illegal. The Carriers have now launched a propaganda campaign, laying the groundwork for an attempt to convince the United States Congress to impose Crew Consist changes through legislation. To do so, the Carriers must make it appear that their demands are completely reasonable and that the deal they have for us is so sweet that no one could possibly object to it. But what at first seems sweet could turn sour.

Article II of the August 20, 2002 National Agreement provided that a Carrier could, *at its discretion*, offer an alternative compensation option (such as profit sharing) in exchange for the future wage increases contained in that agreement. For three and one half years, BNSF made no such offer to UTU, and all of the GWIs provided for in that 2002 National Agreement have now been implemented. When BNSF served its Section Six Notices and elected to join other Class One Carriers in the new round of National Handling, their top priority was to either consolidate all traditional operating crafts and eliminate existing Crew Consist requirements entirely, or to impose a 50% (or more) **wage reduction** on crews that were "overstaffed" (in the Carrier's opinion) under existing Crew Consist rules.

The sequence of events here is quite revealing. First, BNSF goes three and one half years without offering UTU any profit sharing option under the Alternative Compensation provisions of the 2002 National Agreement. Then, BNSF demands that we either give up Crew Consist or take a huge pay *cut* in this new round of National Negotiations. Now, after losing their Crew Consist argument at the national level as a matter of law, BNSF

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approaches the individual General Chairmen with an invitation to talk about profit-sharing in lieu of wage increases; but those are the same wages that the Carriers say they intend to take away from us unless we give up Crew Consist. In short, you can't get profit sharing without giving up wage increases, and you can't get wage increases without giving up Crew Consist. It doesn't take a crystal ball to see where this is going.

BNSF has made it clear that they intend to achieve unilateral control over Crew Consist in this round of National Negotiations, even though it breaks the solemn promise contained in our Crew Consist Moratorium, and even though the courts have said that their current approach is clearly illegal. Having made these intentions clear, BNSF cannot seriously believe that the individual General Committees would knowingly jeopardize Crew Consist in order to participate in a profit sharing plan. Incidentally, the Carrier recently announced that for 2006, one third of BNSF's profit sharing is tied to an overall **increase in train speed** above 2005 levels. Based on what many of you are telling me about the operation, an increase in train speed this year is about as likely as an Elvis concert at Wrigley Field.

I don't want anyone to misunderstand. Profit sharing (up to now) appears to be a benefit for those crafts participating. If BNSF appreciates the contribution UTU members are making to the profitability of the railroad, and they want to write our members a check at the end of the year *without demanding wage reductions* in return, they certainly have my permission to do so. If they want to discuss Crew Consist (with or without profit sharing) on a *voluntary* basis with this General Chairman, all they have to do is honor our Moratorium and stop pursuing any Section Six Notice (nationally or locally) relative to Crew Consist before "pure attrition" occurs.

On the other hand, if the Carriers want to wage war in the courts or the Congress to force Crew Consist changes and/or reduce UTU members' pay, then they don't need to pretend that they have no ulterior motive for inviting us to consider profit sharing at this particular time in history.

It may be that UTU General Chairmen could have just said "no, thanks" and left it at that. On the other hand, sometimes "no" needs to be a little more emphatic.

Fraternally,



R. D. Kerley
General Chairman

RK/cs

cc: Associate General Chairmen GO-001
Secretaries GO-001