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FREIGHT RAILROADS BEGIN NEW BARGAINING ROUND

WASHINGTON (Nov. 3, 2014) The nation's major freight railroads today announced the start of a new round of national bargaining covering more than 140,000 employees.

"We have a fresh opportunity to work together to support the industry's continued success for many years to come," said A. Kenneth Gradia, the Chairman of the National Carriers' Conference Committee (NCCC), which represents the railroads in bargaining. "With serious long-term challenges on the horizon, we look forward to sitting down once again and charting a future that benefits us all."

In its bargaining proposals (so-called "Section 6 notices") delivered to the industry's 13 labor unions, the railroads seek changes to compensation and benefits that would fairly reflect economic conditions and the mainstream American workplace, and reforms to work rules that would improve customer service and employee utilization.

Health care remains a significant challenge. The railroads propose continued reforms to national health care plan designs and funding responsibilities, areas in which the national plans remain substantially outside mainstream norms. Their proposals also address significant concerns and additional costs associated with health care reform.

The freight railroads and unions negotiate under the 1926 Railway Labor Act, which includes safeguards to minimize service disruptions because of labor disputes. Under the law, collective bargaining agreements remain in force indefinitely until the parties agree to change them.

Formal negotiations will begin early next year. Twenty nine railroads participate in the bargaining, including BNSF, CSX Transportation, Kansas City Southern, Norfolk Southern, and Union Pacific.