



RAIL LABOR BARGAINING COALITION

June 13, 2011

W. Dan Pickett
Chairman

Brotherhood of Locomotive
Engineers and Trainmen/IBT
Dennis Pierce
National President

Brotherhood of
Maintenance of Way
Employes Division/IBT
Freddie N. Simpson
President

Brotherhood of
Railroad Signalmen
W. Dan Pickett
President

International Brotherhood of
Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers, and Helpers
Danny L. Hamilton
Director, Railroad Division

National Conference of
Firemen & Oilers, SEIU
John Thacker
President

Sheet Metal Workers'
International Association
Dewey B. Garland
Director, Railroad and
Shipyard Department

Honorable Harry Hoglander, Chairman
Honorable Linda Puchala, Member
Honorable Elizabeth Dougherty, Member
National Mediation Board
1301 K Street NW, Suite 250 East
Washington, DC 20005-7011

**Re: *Rail Labor Bargaining Coalition & National
Carriers' Conference Committee
Case No. A-13592***

Dear Mr. Chairman, Members Puchala and Dougherty:

The Rail Labor Bargaining Coalition (RLBC), for and on behalf of the Brotherhood of Locomotive Engineers and Trainmen, Brotherhood of Maintenance of Way Employes, Brotherhood of Railroad Signalmen, International Brotherhood of Boilermakers, National Conference of Firemen & Oilers and the Sheet Metal Workers International Association, in accordance with Section 5, First (b) of the Railway Labor Act, 45 U.S.C. § 155, First (b), requests the National Mediation Board to end mediation and proffer arbitration to the parties. The basis for this request is that the Mediation Board's best efforts have not been successful in bringing about an amicable settlement of this dispute through mediation.

We do not make this request lightly, but rather out of the firmest conviction that the NCCC/UTU tentative agreement has placed voluntary settlement of this dispute out of reach. As stated privately and across the bargaining table, negotiations over healthcare plan design changes are not susceptible to traditional pattern bargaining approaches. Properly conceived, healthcare negotiations are data-driven and impelled by the unique characteristics and needs of Plan participants. For each group, then, there is a Plan design that can be judged the best fit, in terms of relevant factors, such as coverage, price and benefit schedule. This reality counsels against the notion

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that a healthcare plan design thought suitable for one group necessarily should be adopted by, or imposed on, another employee group.

In the instant mediation case, the healthcare approaches by the RLBC and NCCC could not be more different. The NCCC prevailed upon the UTU to accept its approach for modification of that Organization's Plan ("NRLC/UTU H&W Plan"); those changes will not be incorporated into our Plan (GA-23000). The crafts for which the RLBC is bargaining in this round consist of employees for whom the massive plan design changes sought by the NCCC and tentatively agreed to by the UTU could be little short of disastrous. This is because those changes, if implemented, will effectively shift health care costs onto the backs of the oldest, sickest employees and beneficiaries most in need of GA-23000's plan of benefits.

The RLBC will not adopt the wholesale plan design changes found in the NCCC/UTU tentative agreement. No amount of bargaining and mediation can or will convince us otherwise. By the same token, as stated categorically at the June 7 mediation session, the NCCC will not agree to a healthcare settlement without the plan design changes it seeks. Nor can it agree to a resolution of the healthcare issue on a different basis without both disrupting its tentative agreement with the UTU and abandoning its goal for achieving similar benefit schedules in the UTU H&W Plan and GA-23000. This is not simply an "impasse"; the parties have staked out unchanging, categorical positions that can never be reconciled.

It is equally clear that the parties' positions on wages and duration are not going to be bridged, especially since much of the "value" attributed to the UTU tentative agreement involves changes the NCCC contends are inapplicable to all or most of the organizations represented by the RLBC. The Carriers' supposed willingness to adapt the UTU tentative agreement to fit this mediation case amounts to an invitation for further delay.

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For all these reasons, the parties' differences are irreconcilable and further mediation is unwarranted. We do not intend to bargain further in this matter. To do so, we believe, would serve no purpose and likely will result in prolonging this dispute to the detriment of the parties and the public interest. It is time for this dispute to advance to the next stage of the dispute-settlement procedure prescribed by the Act.

Respectfully submitted,

A handwritten signature in black ink that reads "W. Dan Pickett". The signature is written in a cursive, flowing style.

W. Dan Pickett, Chairman

cc: T. Brown Mediator
K. Gradia, Chairman, NCCC
RLBC Members