BROTHERHOOD OF SLEEPING CAR PORTERS
CHICAGO DIVISION HEADQUARTERS
4231 MICHIGAN AVENUE
CHICAGO, ILLINOIS

March 15, 1932

Mr. C. L. Dellums
1160 Eighth Street
Oakland, California

Dear Brother Dellums:

Permit me to thank you for your kind letter of March 8. I can understand the unrest among the men due to the loss of lines. That condition seems to obtain in all of the districts. This demonstrates the futility and uselessness of the Employee Plan, for the men are not consulted when any changes are made in their working conditions.

Relative to the memorandum on the Dispensation may I say that I will advise that you pay your A. F. of L. tax as best you can but that you need not bother about paying any part of the $2.00 for reinstatement and joining fee to the A. F. of L. We are trying to raise money for our injunction case and this is one of the best methods, we think, by which to do it.

I hope that the madame continues to improve in health. I am very sorry, indeed, to learn of her illness. Kindly remember me to her, the brothers, sisters and friends.

Fraternally yours,

A. Philip Randolph
National President
Brotherhood of Sleeping Car Porters

APR/EGW

A. PHILIP RANDOLPH
International President

BENNIE SMITH
2nd International Vice-President
1308 Broadway, Room 305
Detroit, Michigan 48226

C. L. DELLUMS
3rd International Vice-President
1716 Seventh Street
Oakland, California 94620

BROTHERHOOD of SLEEPING CAR PORTERS

Train, Chair Car, Coach Porters and Attendants

AN INTERNATIONAL UNION

Affiliated with the AFL-CIO/CLC

WILLIAM H. BOWE
Acting International Secy.-Treas.

T. D. McNEAL
4th International Vice-President
2906a North Union Boulevard
St. Louis, Missouri 63115

B. F. McLAURIN
Eastern Zone Supervisor

217 WEST 125th STREET - Room 301
NEW YORK, N. Y. 10027
MOnument 2-5080 - 1

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June 28, 1966

Mr. C. L. Dellums
International Vice President
Brotherhood of Sleeping Car Porters
1716 Seventh Street
Oakland, California 94607

Dear C. L.:

I have looked over the proposals relative to job stabilization for employes on the Southern Pacific represented by the Brotherhood of Sleeping Car Porters. These proposals seem to be on par with those of the New York Central. Of course, they are not in complete form but the principles are about the same.

I think that it is well for us to be careful not to accept anything on job stabilization which is not comparable to the job stabilization agreement the dining car employes have received, although we may not be able to get the complete agreement they received since they were a part of the conference of non-ops which handled this problem.

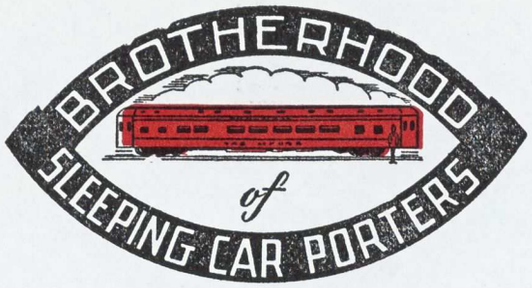
Since all of the railroads exchange agreements, I would suggest that you need not rush the job stabilization on the Southern Pacific because it is apparent they want to trim down the benefits as much as possible in view of the fact that it threatens to go out of the passenger business.

Will see you at the International Executive Board meeting in Chicago on September 8, 1966.

Fraternally yours,

A. Philip Randolph
International President

cc: Mr. T. D. McNeal



217 WEST 125th STREET - Room 301
NEW YORK, N. Y. 10027
MOnument 2-5080 - 1

August 23, 1966

Mr. C. L. Dellums
International Vice President
Brotherhood of Sleeping Car Porters
1716 Seventh Street
Oakland, California 94607

Dear Sir and Brother:

Find enclosed memorandum which is self-explanatory.

Fraternally yours,

A. Philip Randolph

International President

Sent to Brother Williams

MEMORANDUM

TO: MR. A. PHILIP RANDOLPH, INTERNATIONAL PRESIDENT, BROTHERHOOD OF SLEEPING CAR PORTERS

FROM: I. J. GROMFINE, LABOR BUREAU OF MIDDLE WEST

SUBJECT: NEGOTIATIONS FOR EMPLOYMENT STABILIZATION AGREEMENTS -- PRESENT STATUS AND POSSIBLE ACTION

Since May of 1964, when the Section 6 Notices on this subject were served, the Brotherhood has been attempting to negotiate employment stabilization agreements to protect the jobs and earnings of its members. So far as I am aware, such an agreement has been reached by the Brotherhood only in the case of the New York Central. Meanwhile, other organizations have negotiated agreements that provide meaningful protection to their members, and it is necessary to evaluate the extent to which such agreements would or would not provide meaningful protection if they were negotiated by the Brotherhood. That is the main purpose of this memorandum. With the results of such an evaluation in mind, it then becomes necessary for the Brotherhood to determine on a course of action that will bring this dispute to a head and resolve it as soon as possible. For, as you well know, the threat to the jobs of Brotherhood members is increasing, and the need to obtain job stabilization agreements is more critical than ever.

Before turning to the specific details of the existing situation on Pullman and on the carriers other than Pullman, it is important to keep certain history and basic principles in mind. The single most important matter in evaluating the effectiveness of a particular job stabilization agreement is the question of the kinds of circumstances the agreement covers that can result in loss of jobs or other adverse effects upon employees. The Washington Job Protection Agreement of May, 1936, was limited to protecting employees who were adversely affected by "coordinations," which in that agreement was specifically defined to include only mergers, consolidations, etc. involving "joint action by <u>two or more</u> carriers..." That was the basic problem that posed a threat to job security of railroad employees in 1936, and the Washington Agreement is limited to that circumstance. In the 1960s, however, the threat to jobs of railroad employees is by no means limited to mergers, etc., but arises at least as much out of technological changes, consolidation of facilities, and curtailment of service -- all occurring within the confines of a particular carrier, and none of which is covered by the

Washington Agreement. The need to protect railroad employees against these circumstances is what gave rise to the movements in 1963 and 1964 by the shopcrafts and the other non-ops which resulted in the job stabilization agreements obtained by these organizations.

The shopcrafts reached a national agreement on September 25, 1964. Because that agreement forms the basis of the recent agreement reached between the shopcrafts and Pullman, it is most important to note that, unlike the later non-op agreement, the national shopcraft agreement by its terms protects only such employees as are deprived of employment or placed in a worse position because of one or more of the following changes in the operation of a carrier:

a. Transfer of work.
b. Abandonment, discontinuance for 6 months or more, or consolidation of facilities or services or portions thereof.
c. Contracting out of work.
d. Lease or purchase of equipment or component parts thereof, the installation, operation, servicing or repairing of which is to be performed by the lessor or seller.
e. Voluntary or involuntary discontinuance of contracts.
f. Technological changes.
g. Trade-in or repurchase of equipment or unit exchange.

The national shopcrafts agreement specifically states that it does <u>not</u> protect an employee who loses his job or is placed in a worse position as a result of "a decline in a carrier's business."

The real threat to the jobs of employees represented by the Brotherhood is precisely in the area of "a decline in a carrier's business," and there is very little, if anything, in the above 7 items that would cover Brotherhood members.

It should also be noted, of course, that the national shopcrafts agreement is <u>not</u> an agreement which prevents the loss of jobs as a result of one of the above 7 circumstances. It provides that employees who do lose their jobs as a result of any of those specific circumstances will be paid a dismissal allowance generally equivalent to what is paid as a dismissal allowance under the Washington Agreement (i.e., 60% of earnings

up to a maximum of 5 years) and those who keep their jobs but are placed in a worsened position as a result of one of those 7 circumstances are paid a displacement allowance which, again, is equivalent to the displacement allowance under the Washington Agreement.

The national non-op employment stabilization agreement, is of an entirely different character. That agreement, executed on February 7, 1965, and covering all non-op employees (including the dining car employees represented by Hotel and Restaurant Union) other than the shopcrafts, basically assures that every protected employee will be continued in his job until retired, discharged for cause, or otherwise removed by natural attrition, and the reduction as a result of attrition cannot exceed 6% a year. It protects the employees it covers not only against loss of jobs as a result of the 7 kinds of circumstances covered in the shopcrafts agreement, but against loss of jobs resulting from any circumstances including loss of business. There is, however, a limitation on the latter -- if a carrier's business declines by more than 5% in any 30-day period (measured by the combined average of gross operating revenue and net revenue ton-miles) a reduction in jobs is permitted in that month to the extent of 1% for each 1% that the decline in business exceeds 5%.

With that background in mind -- and remembering that the notices served by the Brotherhood on this issue were identical to that of the non-ops, and that, on Pullman at least, the Brotherhood has generally followed the non-op pattern in the past -- we can turn to an evaluation of where the Brotherhood now stands in its effort to obtain employment stabilization agreements.

A. ON CARRIERS OTHER THAN PULLMAN

1. NEW YORK CENTRAL

On October 1, 1965, the Brotherhood entered into an employment stabilization agreement with the New York Central. Basically, this agreement follows the same general approach as the non-op agreement; but there are two significant differences: (1) The non-op agreement protected all employees who were in active service on October 1, 1964, or who were recalled from furlough between that date and February 7, 1965, and had two years of employment as of October 1, 1964 and 15 days of compensated service during 1964. Employees who were furloughed after October 1, 1964 and were still on furlough as of February 7, 1965 were to be recalled. On the other hand, the Brotherhood's New York Central Agreement protects only employees in active service

as of October 1, 1965 (the date of the agreement) who had two years of service as of that date and 15 days of compensated service in the 12 months prior to September 30, 1965. (2) As noted above, under the non-op agreement the reduction in jobs as a result of attrition is limited to 6% a year. There is no such limitation in the Brotherhood's New York Central Agreement, and this can be of considerable significance, not in terms of the security of the jobs of the men presently employed but in terms of the total number of jobs available, particularly because the same settlement with New York Central also established mandatory retirement at age 70 in 1966 going down to age 65 by 1971.

The Brotherhood's agreement on New York Central is effective until July 1, 1967, except that it is automatically terminated if before that date the merger with The Pennsylvania Railroad is consummated, at which time the employment stabilization agreement would be superseded by the applicable provisions of the Merger Protective Agreement to which the Brotherhood is a party, and which provides protection of the jobs of then existing employees, with the same 5% formula as to reduction in forces because of decline in business that is present in the national non-op agreement.

In essence, then, on New York Central the Brotherhood members are in this position -- employees who qualified for protection as of October 1, 1965 are assured of keeping some job, subject only to such reductions as can result from the loss of business in excess of 5% as described above. On the other hand, there is no limitation on the effect the carrier can give to attrition, such as is present (6% a year) in the national non-op agreement, and thus as men retire, die, resign, etc. there is no requirement that those jobs be filled regardless of how great the rate of attrition may be.

II. CB&Q

Vice President McNeal has been attempting to negotiate a job stabilization agreement covering the dining car employees represented by the Brotherhood on this carrier. In his letter of August 1, 1966, he advises that in a recent conference on the matter the carrier indicated that it would be willing to enter into an agreement along the same lines as the agreement that CB&Q recently negotiated with the American Train Dispatchers Association covering the craft of train dispatchers.

Unless the CB&Q management has something in mind totally different from what the ATDA agreement indicates on its face,

that agreement would provide no meaningful protection to the dining car employees on CB&Q represented by the Brotherhood. The ATDA agreement is patterned on the national shopcrafts agreement; it does not guarantee anyone continuation of his job; it provides allowances for employees who lose their jobs or are placed in a worsened position, and only if the adverse effect suffered by the employee results from one of the 7 circumstances listed above, none of which involve conditions that are likely to cause loss of employment to the dining car employees on the CB&Q. Like the national shopcrafts agreement, the ATDA agreement specifically excludes from the conditions which give rise to any protection a "decline in the carrier's business."

In order to make certain that this analysis is justified, Vice President McNeal has written to the CB&Q requesting that the carrier advise exactly how the critical section of the ATDA agreement (the section that defines the circumstances that would give rise to any protection) would read if it were to be applied to the dining car employees.

In our judgment, there can be no possible justification for denying the dining car employees on CB&Q the kind of job protection agreement negotiated by the non-ops. The CB&Q has already accepted such an agreement for all other employees in the traditional non-op group, and, most important, that non-op agreement is already applicable to all other dining car employees on all other carriers. Refusal by the CB&Q to extend that agreement to its own dining car employees is discrimination of the most obvious kind, and, we must assume, the Brotherhood will not tolerate it. So clear is the Brotherhood's claim in this instance that it should be possible to convince almost any mediator that the NMB would assign to bring every possible pressure on CB&Q to accept the terms of the non-op agreement in this instance. We recommend that mediation be invoked in this instance as soon as possible for that purpose.

III. OTHER CARRIERS

On other carriers where the Brotherhood has individual agreements covering chair car porters, etc. the claim for an agreement along the same basic lines as the national non-ops agreement is equally justified, particularly where it can be shown that, in the past, movements on wages and working conditions for these employees have been directly patterned after the non-op settlements. The technical problem, mentioned below, of applying the loss of business formula in the non-op agreement

in the case of Pullman is not present in these instances. Certainly, as a minimum, the type of agreement negotiated by the Brotherhood on New York Central must be achievable on these other carriers. */ Such an agreement, as noted above, will not protect future job opportunities; but it at least provides a meaningful measure of protection for existing jobs. On the other hand, the acceptance of agreements (such as the ATDA agreement) patterned after the national shopcrafts agreement will be of no real help to the Brotherhood membership on these carriers. Mediation should be invoked in these cases, as in CB&Q, to bring these cases to a head as soon as possible.

B. ON PULLMAN.

On Pullman the Brotherhood has a long history of following the same development in wages and working conditions as have been achieved by the non-ops in the national movements affecting the carriers that are the owners of Pullman. There is no real justification for not applying to the Pullman porters the same basic principles of the national non-ops job stabilization agreement. In the memorandum I sent to you on March 24, 1965, we reviewed in some detail how that agreement could be applied in the case of Pullman. We pointed out that the only problem that exists is a technical one arising out of the fact that the loss of business formula in the non-ops agreement could not be applied to Pullman without some modification because it uses gross operating revenue and net revenue ton-miles data which is either not applicable or would make the protection meaningless. In that memorandum, we suggested two alternative approaches to this technical problem. I shall not repeat that analysis here, but only point out that we still feel that either of those suggested modifications to make the non-ops agreement applicable to Pullman is appropriate and can be fully justified.

In a memorandum that Jack Frye sent to you on April 4, 1966 we suggested some further alternative approaches to the job stabilization problem in the event that the achievement of an agreement along the lines of the non-ops agreement should become impossible. In our judgment, however, the Brotherhood is not now at the point at which it should feel compelled to consider such alternatives, which are a far cry from the non-ops agreement, until a real effort is made to obtain the non-ops agreement.

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*/ It must be noted, however, that if the pattern of the New York Central Agreement is proposed the carriers would probably insist upon also including the mandatory retirement feature which was an integral part of that settlement.

We understand that such efforts have been held in abeyance pending the outcome of negotiations by other organizations on Pullman. As you know from the recent story in LABOR, the shopcrafts on Pullman have recently concluded a job stabilization agreement. We have reviewed that agreement. It follows, almost verbatim, the terms of the national shopcrafts agreement, and, for the reasons stated above, we do not believe it would provide any useful measure of protection if applied in the case of the Brotherhood membership on Pullman. It does not protect existing or future jobs against the threat resulting from a reduction in Pullman business. It provides only for payments to men who lose their jobs or are placed in a worsened position as a direct result of one of the 7 circumstances listed above, none of which would cover the circumstances that pose a threat to porter jobs, even though they may be important factors in the case of shopcraft jobs.

In our opinion, while the Brotherhood cannot benefit from any reliance on the shopcrafts settlement on Pullman, neither is it prevented by any consideration of precedent or other circumstances from insisting upon something better for its members on Pullman. The shopcrafts settlement comes a lot closer to fitting the needs and problems of those employees, and the Pullman shopcrafts could hardly have been expected to make any material improvement over the national shopcrafts settlement. The Brotherhood, on the other hand, has never followed any patterns established by the shopcrafts; it has followed the non-ops, and only the type of settlement the non-ops made nationally will do any good for the Pullman porters. That settlement has been accepted for other non-op employees by all of the railroads that own Pullman and there is no justification for the Brotherhood being asked to take any less in this instance. Again, the pattern established for porters in the Brotherhood's New York Central settlement is the <u>least</u> that could be accepted in this instance.

In any effort to press this dispute on Pullman to mediation or otherwise, we assume that the Brotherhood would want to coordinate its efforts with the Clerks, who have likewise apparently been waiting the outcome of the shopcrafts on Pullman, and whose claim to the non-ops type agreement stands in the same position as that of the Brotherhood.

One further note with respect to Pullman -- the announcement of the shopcrafts job stabilization agreement on Pullman was accompanied by the announcement of another agreement between Pullman and the shopcrafts which apparently had been negotiated

on January 26, 1966. That agreement provides for certain protection of Pullman employees who are adversely affected by a takeover of sleeping car service by a carrier now under contract with Pullman. Essentially, it provides for a dismissal allowance for employees who are not taken over by the other carrier, and for allowances for employees who are taken over but whose wages or conditions are worsened. In some respects this agreement is better than the existing contract you now have (known as the "Randolph-Wolfe Agreement"), but in other respects it is not as good. Whether it would be in the interest of the Brotherhood to press for a similar agreement as part of this job stabilization movement will depend to a large extent on how far the Brotherhood is able to go in obtaining from Pullman a basic job stabilization agreement along the lines of the national non-ops agreement. If it obtained such an agreement, there would be little, if anything, in the shopcrafts takeover agreement from which the Brotherhood could get any additional advantage over what it already has in the Randolph-Wolfe Agreement.

August 9, 1966