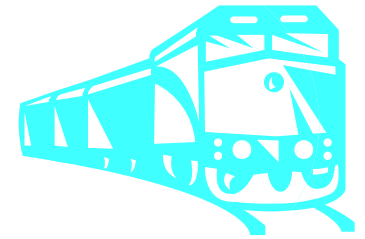
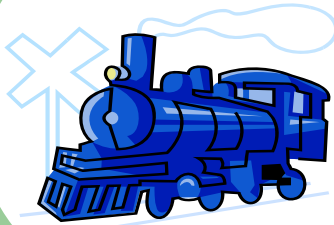


The Railway Labor Act



At A Glance

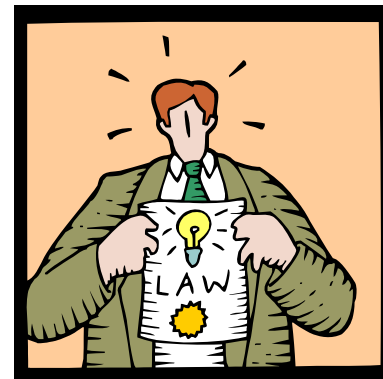
Purpose For Legislation

To avoid work stoppages which threaten substantially to interrupt interstate commerce to a degree such as to deprive any section of the country of essential transportation services.



RLA ENACTED

- In 1924, President Coolidge urged both Railroads and Unions to recommend legislation for better labor/management relations and reduce the threat of railroad shutdowns.
- Formally designated the Railway Labor Act of 1926 (RLA), was signed into law by President Coolidge on May 20, 1926.



Who is covered by the RLA

- The RLA applies to freight and commuter railroads, airlines, companies directly or indirectly controlled by carriers who perform services related to transportation of freight or passengers and the employees of these railroads, airlines and companies.

The Act's five basic purposes:

1. To avoid any interruption to commerce.
2. To ensure an unhindered right of employees to join a labor union (added 1934)
3. To provide complete independence of organization by both parties to carry out the purpose of the Act.
4. To assist in the prompt and orderly settlement of disputes covering rates of pay, work rules, or working conditions.
5. To assist in the prompt and orderly settlement of disputes growing out of grievances or out of interpretation or application of existing contracts covering rates of pay, work rules or working conditions.

“Major” and “Minor” Disputes

- **Major Disputes** – matters affecting rates of pay, rules and working conditions; and, making or modification of the collective bargaining agreement between the parties.
 - ✓ Almost total reliance upon collective bargaining for dispute settlement.
 - ✓ Self-help permitted after negotiation and mediation procedures are exhausted.
- **Minor Disputes** – grievances growing out of the interpretation or application of collective bargaining agreements.
 - ✓ National Railroad Adjustment Board (NRAB) or alternative boards of adjustment have exclusive jurisdiction over grievance disputes.
 - ✓ Self-help not allowed.

CBA's under the RLA

- Contracts remain in force until changed.
- Contracts have no expiration date.
- No time limit by which contracts must be negotiated to avoid a work stoppage.

Bargaining under the RLA

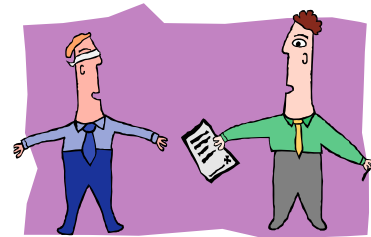
Phase 1 - Negotiation

- Either party seeking to amend existing CBA's must provide 30-day written notice as to desired changes. (Section 6 RLA)
- Agreement to Confer. (within 10 days of notice)
- Open-ended direct negotiations. (within 30 days of notice)
 - 10-Day status quo on failure of direct negotiations

Bargaining under the RLA

Phase 2 - Mediation

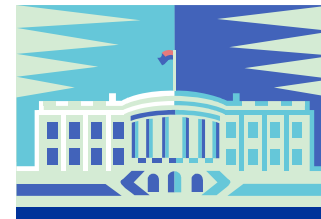
- Mediation occurs at request of either party or invocation by NMB.
- Open-ended Mediation at discretion of NMB.
- Proffer of Arbitration by NMB.
- Binding Arbitration by mutual agreement.
- 30 Day status quo after NMB notification to parties that Mediation failed and Arbitration was refused.



Bargaining under the RLA

Phase 3 – Presidential Emergency Board (Freight Railroads)

- If the dispute threatens substantially to deprive essential transportation service, NMB notifies the President.
- Executive Order establishing Emergency Board. (PEB)
- Recommendations 30 days after executive order.
- 30-day status quo period.
- Parties free to exercise “Self Help”.



Action by Congress imposing PEB recommendations possible to end/avert a strike

Bargaining under the RLA

Phase 3 – Presidential Emergency Board (Commuter Railroads)

- Either party or Governor requests President to establish PEB. Exclusive of such request, President has discretion to establish Emergency Board.
- President establishes Emergency Board which investigates and makes recommendations in 30 days.
- If no Agreement within 60 days of Boards creation, NMB conducts public hearings.
- If no Agreement within 120 days of Boards creation, parties free to resort to Self-help.

Bargaining under the RLA

(Commuter Railroads)

- Either party or Governor requests President to establish another Emergency Board.
- President establishes Emergency Board.
- Final offers of parties submitted within 30 days.
- PEB selects most reasonable offer and reports to President within 30 days.
- Parties free to resort to Self-help 60 days following Boards report.

Employees Right to Organize

The Act protects the rights of employees to organize for purposes of collective bargaining without interference, restraint or coercion from carriers:

- Section 2, Third and Fourth of the Act says that employees may designate their representatives “without interference, influence or coercion” and carriers shall not in any way interfere with, influence, or coerce employees in their selection of a representative whether employed by the carrier or not.
- Section 2, Fifth prohibits carriers from requiring any person seeking employment to sign any contract or agreement promising to join or not to join a labor organization.

Process for Securing Representation

NMB conducts elections

- NMB defines the craft/class of employees eligible to vote extending to all employees performing a particular job function throughout the company's operations, not at particular site or region.
- Union must produce authorization cards or other proof of support from at least 35% of the craft or class if not represented; and 50% + 1 if employees are represented.
- RLA requires that the Union receive a majority of votes from the entire craft or class, rather than a majority of those who choose to vote.
- RLA contains no unfair labor practice procedures; however, the NMB is required to insure the choice of representatives without interference or coercion by the carrier and can decide to run another election if it finds that carriers conduct violated the obligations under Section 2.

Examining RLA

- Amended significantly only twice:
 - To create the NRAB to arbitrate minor disputes
 - To include Airlines under the act
- Since its enactment in 1926 the Railway Labor Act has been the legislative bedrock of labor relations law in the railroad industry.