

# UTU-NCCC Tentative Settlement synopsis

## I. Compensation

- Wages

General percentage wage increase as follows:

July 1, 2005	2.5 %
July 1, 2006	3.0 %
July 1, 2007	3.0 %
July 1, 2008	4.0 %
July 1, 2009	4.5 %

\*Total of 17 %, same as current pattern agreements

- Alternative Compensation Program

Implemented on an individual Railroad and Union basis, and only by mutual agreement of the parties

- COLA

\*COLA under current agreement eliminated on effective date of agreement

\*Cola payments made after 2002 Agreement expired to be credited (deducted) against retroactive (back) pay

\*COLA roll-in amounts excluded before application of General Wage increases, eliminated from pay rates after application of General wage increases

\*Post Moratorium (New) Harris COLA effective 1/1/2011 **(no other craft Agreement received this)**

## II. Health and Welfare

- Plan and Design changes

\*Carriers' demand for an additional cost sharing contribution of \$42.30 a month from 11/1/07 until the effective date of the UTU Agreement (representing Health benefits realized by UTU only because of delayed implementation of cost-containment changes to the Plan) was thwarted by the UTU Negotiating Committee. It does not appear in the finished tentative Agreement.

\*Pattern Plan benefit changes kept (same cap on cost as other crafts) plus we will receive credit for overpayments made to employee cost sharing of health benefits since 1/1/08

\*Effective 1/1/2010, New hires will revert back to receiving standard 1 month waiting period for Insurance instead of 4 months as negotiated in last agreement **(unique to the UTU Agreement only)**

\*Nationalized health care provision wherein if Congress ever passes a National health care program, the UTU will enjoy the right to negotiate, and arbitrate if necessary, our share of any cost savings enjoyed by the Carrier. The UTU sought this provision in recognition of the fact that Labor gave up pay increases in the past to secure our Health & Welfare coverage. **(No other craft currently has this side letter either, or even thought to ask for it.)**

- **Employee Cost Sharing**

\*Covers period from 1/1/2005 until 1/1/2010

\*Effective 1/1/07, 15% of Carriers Monthly payment formula implemented in lieu of current 50% rate (annual increase in Health Plan payment rate, subject to COLA cap)

\*Subject to annual adjustment each January 1<sup>st</sup>, through 2010

\*Monthly cost sharing for years 2007 and 2008 is capped at \$166.25

\*No retroactive cost sharing payable for period prior to 1/1/07 and retroactive cost sharing payable for period on or after 1/1/07 offset against retroactive wage payments (including credit for overpayments since 1/1/08)

- **January 1, 2011 and thereafter**

\*Current Health and Welfare cost sharing formula (50% of annual payment rate increases, subject to COLA cap) effective 1/1/11

### **III. Expenses away from Home**

\*Effective 1/1/2010, National meal allowance (article II, Sec. 2 of 6/25/64 agreement, as amended) increased by \$2.00 per meal from \$6/\$12 to \$8/16 **(no other national agreement received this)**

### **IV. Dues Check-off**

\*Amend existing agreements to provide for payments to be made to UTU International instead of directly to the Locals, same as G.C. & SLB's

### **V. Carrier UTU Interaction/Interchange**

\*Carrier right to implement direct deposit for payments made to employees

\*Carrier right to implement modernized (e.g. electric e-mail) processes and procedures for required informational, data, and financial interactions/interchange between carrier, UTU International and General Committees chaired by full time General Chairmen

**VI. Entry Rates (including training)**

\*Side Letter providing for national arbitration of interpretation/application side letter #2 (UTU), #3 (UTU-YM) to 2002 agreement (**Carrier wanted 9.3% of total raises, over half, to eliminate entry rates**)

**\*No other craft has this side letter. UTU contends that, since entry rates were first established as “rate progression” in the 1985 National Agreement, the qualifications and responsibilities of new hires have changed dramatically. With the elimination of extra crew members through crew consist agreements and additional training required of these employees through training policies and agreements, new hires are now asked to and must accept the same responsibilities and complete the same duties of current workers. Therefore their pay should reflect as such.**

**VII. Moratorium**

\*Agreement settles all outstanding proposal on both sides and ensures labor peace through term of New agreement 12/31/09

**Separate Yard Master Issues**

**I. Supplemental Retiree Medical Insurance Program**

\*Effective 1/1/2010, covered carrier shall forward, on a monthly basis, an amount equal to \$0.02 hr of service worked per month as YM by any of its employees covered by YM national agreement to insurance company administrating program. (Previously Yard Masters paid into this fund on their own, after taxes. Now payment will be deducted pre-tax, with carrier paying half, equates to \$0.05 per hour.

\*Effective 1/1/2011, \$0.05 per hour of COLA payable to employees on that date shall be diverted to the program. If such COLA is insufficient to cover diversion in full, shortfall shall be made up out of subsequent COLA(s)