Amtrak urged to distribute back pay

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WASHINGTON (AP) — An emergency board appointed by President Bush to help resolve a labor dispute at Amtrak and avoid a possible strike later this month has sided with the unions on the most contentious issues.

The board, whose report was delivered to Bush on Dec. 30 and made public on Thursday, said Amtrak was largely to blame for the inability of the parties to come to an agreement. It recommended the railroad provide full back pay to employees who have been working without an updated contract for eight years and scrap plans for sweeping changes in work rules.

"Amtrak was not rewarded for stringing out this round for eight years," W. Dan Pickett, president of the Brotherhood of Railroad Signalmen, said in a statement.

Amtrak has never had a strike in its 36-year history. If one were to occur, it would bring all the railroad's operations to a standstill and would cripple major commuter railroads on the northeast corridor, where Amtrak owns the tracks. Some commuter lines elsewhere in the country would also be affected.

Pickett and other union leaders said they hope to resume negotiations with the railroad, using the board's non-binding report as a road map. Amtrak said only that it was studying the recommendations. As of Monday, talks had not resumed, Amtrak spokesman Cliff Black said.

The completion of the report kicks off a 30-day cooling-off period. If no deal is reached in that time, the workers will be free to strike beginning at 12:01 a.m. on Jan. 30, provided Congress does not intervene to impose terms.

About 10,000 Amtrak employees have been working under outdated contracts since 2000. However, under the Railway Labor Act, they could not strike until federal officials determined that mediation had been unsuccessful. The National Mediation Board released the parties from mediation Nov. 1; the convening

of a presidential emergency board was a final attempt to facilitate a deal.

During the negotiations, Amtrak offered raises, but refused to make them retroactive for the years of negotiations. Instead, it wanted to give all workers a lump signing bonus of \$4,500. In contrast, full back pay would average out to nearly \$13,000 per employee, according to the board's report.

Amtrak, which is heavily dependent on federal subsidies, had argued that it should not have to pay back wages because Congress is not likely to fund such an expense. However, the board said it cannot modify its recommendations based on a prediction of what Congress might do.

"Congress should be informed of the 'true cost of Amtrak's service. It is then for Congress to determine whether to provide funding necessary for passenger train service," the panel wrote.

The board noted that Amtrak declared as early as 2002 that it would not agree to retroactive pay as any part of an agreement.

"While this is not a 'refusal to bargain' proceeding ..., the evidence paints a fairly clear picture that places much greater responsibility on Amtrak for the failure to ink a deal over the prolonged period since December 31, 1999, than on the Organizations," the report said.

The board said Amtrak should pay the first 40% of the back pay 60 days after an agreement is ratified and the remaining 60% a year later. It said the delay would allow Amtrak time to come up with the funding.

The unions had sought back pay for anyone who had worked at Amtrak in the last eight years. However, the board said only people working as of Dec. 1 should be eligible, which would slightly reduce the financial burden on the company.

The board also said Amtrak failed to demonstrate why it needs work rule changes that would give it more flexibility to assign employees to different jobs and make it easier to contract out work. It advised against the changes, which Amtrak had argued are key to improving the railroad's efficiency.