





SHEET METAL AIR RAIL TRANSPORTATION UNITED TRANSPORTATION UNION SHEET METAL WORKERS INT'L UNION TRANSPORTATION COMMUNICATIONS UNION

<u>Unions Urge Long Island Rail Road to Accept Recommendations of</u> <u>Presidential Emergency Board</u>

A coalition of four unions, representing 67% of Long Island Rail Road's unionized workforce, is calling for MTA to settle their four year old contract dispute by agreeing to the recommendations of a Presidential Emergency Board. The four unions are SMART (United Transportation Union and Sheet Metal Workers International Union), National Conference of Firemen & Oilers 32BJ SEIU, and Transportation Communications Union.

Presidential Emergency Board 244 issued its recommendations for a compromise settlement on December 21, 2013. The Board was comprised of three distinguished arbitrators appointed by President Obama with a long record of successfully recommending settlement terms that have led to peaceful resolutions of previous passenger rail labor disputes.

The Board issued its findings after holding a full week of hearings in New York City beginning December 2. The PEB recommended net annual wage increases of 2.5% over a six year term, and significant increases in employee contributions to health insurance. The Board rejected MTA's demands for a wage freeze and other major concessions. The Board's 51 page Report examined MTA's finances in detail, and refuted MTA's argument that it lacked the ability to pay the recommended increases without raising fares. (A copy of the Report is available at http://www.nmb.gov/mediation/PEB244Report.pdf.)

In rejecting MTA's demands for a wage freeze and a long list of other concessions, the Board became the fifth arbitration board to find MTA's position unreasonable and unsupported by economic necessity. In four previous arbitrations involving MTA transit and rail properties, MTA advanced identical wage freeze demands. Each arbitrator, including a former Deputy Mayor of New York City, found MTA had the ability to pay the recommended wage increases.

PEB 244 also pointed to recent commuter settlements in major cities like Boston and Chicago, as well as recent settlements involving other New York transportation workers, in fashioning its recommendations.

At a Public Hearing held by the National Mediation Board on January 15, MTA spokespersons testified they would refuse to agree to the PEB's recommendations. The MTA also refused to say whether it would invoke a second Presidential Emergency Board to forestall a strike. The MTA has declined to meet with any of the unions involved in the Presidential Emergency Board since the Report was issued.







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Unless MTA invokes a second PEB, or agrees to accept PEB 244's recommendations, our unions will have no choice but to strike on March 21, 2014.

None of our unions want to strike. We believe the PEB recommendations are fair and balanced, and represent a compromise between the parties' positions. The Board's recommendations call for lesser wage increases than commuter workers achieved in recent contracts in other major cities, and for higher health insurance contributions than on any other unionized commuter operator. Our unions are willing to accept the terms because we do not believe either side can achieve all it wants in negotiations, and we do not believe the riding public should be held hostage to one party's unreasonable demands.

The MTA believes otherwise. From the first day of negotiations, it stated it would not agree to anything other than a wage freeze. Over three years of bargaining, even as its economic position steadily improved, MTA's bargaining position grew even more confrontational. By the time the PEB was convened, MTA was demanding net wage cuts.

Instead of trying to reach agreement since the PEB Report was issued, the MTA has embarked on a scurrilous campaign of demonizing its own employees and distorting the findings of the neutral arbitrators. Just a week before the PEB convened, the MTA tried to pit riders against Long Island workers by proclaiming that any wage increase would trigger higher fares. Since the PEB, MTA has repeated that scare tactic, even though every neutral panel that has examined its finances has concluded otherwise. We firmly believe the MTA can implement the PEB recommendations without raising fares, and we call upon them to do so.

To cite one example of the MTA's disinformation campaign, they have repeatedly told the press that they will not agree to a contract without a major work rule change affecting engineers. The Engineers union was not even involved at the PEB. The MTA also testified at the PEB that even if the unions agreed to every other work rule demand the MTA wanted, it would not result in a dime of net savings.

It is painfully clear that the MTA has recklessly set its sights on provoking a strike. We believe that is a senseless course. We sincerely hope that MTA will reassess its position, and agree to the compromise settlement recommended by Presidential Emergency Board 244.

For further information, contact SMART General Chairman Anthony Simon at 631-661-3500.