

28

Report
TO
THE PRESIDENT
BY THE
EMERGENCY BOARD

**APPOINTED JULY 10, 1945, PURSUANT
TO SECTION 10 OF THE RAILWAY
LABOR ACT AS AMENDED**

**To investigate an unadjusted dispute between
the Chicago, North Shore & Milwaukee Rail-
road and Chicago, Aurora & Elgin Railroad
Company and certain of their employees rep-
resented by the Brotherhood of Locomotive
Firemen and Enginemen and the Brotherhood
of Railroad Trainmen**

CHICAGO, ILLINOIS

JULY 31, 1945

CHICAGO, ILLINOIS,
July 31, 1945.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Herewith is submitted a report of the Emergency Board, appointed by you by Executive Order of July 10, 1945, to investigate and report respecting a dispute between the Chicago, North Shore and Milwaukee Railroad Company and Chicago, Aurora & Elgin Railroad Company and certain of their employees represented by the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen.

Respectfully submitted

ROBERT I. McDONOUGH, *Chairman.*

JOHN W. YEAGER, *Member.*

ROBERT W. WOOLLEY, *Member.*

EXECUTIVE ORDER

Creating an Emergency Board to Investigate the Disputes Between the

Chicago, North Shore and Milwaukee Railroad Company and the Chicago, Aurora & Elgin Railroad Company and Their Employees.

Whereas a dispute exists between the Chicago, North Shore and Milwaukee Railroad Company and the Chicago, Aurora & Elgin Railroad Company, the Carriers, and certain of their employees represented by the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen, labor organization; and

Whereas these disputes have not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

Whereas these disputes, in the judgment of the National Mediation Board, threaten substantially to interrupt interstate commerce within the States of Illinois and Wisconsin to a degree such as to deprive that portion of the country of essential transportation service;

Now, therefore, by virtue of the authority vested in me by Section 10 of the Railway Labor Act, as amended (45 U. S. C. 160), I hereby create a board of three members, to be appointed by me, to investigate said dispute.

No member of the said board shall be pecuniarily or otherwise interested in any organization of railway employees or any carrier.

The Board shall report its findings to the President with respect to the said disputes within thirty days from the date of this order.

As provided by Section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the Board has made its report to the President, no change, except by agreement, shall be made by the Chicago, North Shore and Milwaukee Railroad Company and the Chicago, Aurora & Elgin Railroad Company, or their employees, in the conditions out of which the said dispute arose.

HARRY S. TRUMAN.

THE WHITE HOUSE,

July 6, 1945.

**REPORT OF EMERGENCY BOARD APPOINTED JULY 10,
1945, UNDER SECTION 10 OF THE RAILWAY LABOR ACT
OF 1926, AS AMENDED**

*In re: Chicago, North Shore and Milwaukee Railroad and Chicago,
Aurora & Elgin Railroad Company and Brotherhood of Locomo-
tive Firemen and Enginemen and Brotherhood of Railroad Train-
men*

The Emergency Board appointed July 10, 1945, by the President, pursuant to the provisions of the Railway Labor Act, as amended, and in accordance with the Executive Proclamation of July 6, 1945, to investigate and report its findings respecting matters in dispute between the Chicago, North Shore and Milwaukee Railroad and the Chicago, Aurora & Elgin Railroad Company, on one hand, and the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen, on the other, convened in Room 582 of the United States Court House, in Chicago, Ill., at 11 a. m. on July 16, 1945.

All of the members of the Board were present, consisting of Roger I. McDonough, Salt Lake City; John W. Yeager, Lincoln, Nebr.; and Robert W. Woolley, Washington, D. C. The Board elected Roger I. McDonough as its Chairman, and confirmed the appointment of Frank M. Williams & Co. as official reporters.

Appearances on behalf of the Brotherhoods were as follows: John A. Zanger, Vice President, Brotherhood of Railroad Trainmen; J. S. Smedberg, General Chairman, Brotherhood of Railroad Trainmen, Chicago, North Shore and Milwaukee Railroad; and E. O. Weaver, General Chairman, Brotherhood of Railroad Trainmen, Chicago, Aurora & Elgin Railroad Company, on behalf of the Railroad Trainmen; G. A. Meade, Vice President, Brotherhood of Locomotive Firemen and Enginemen; C. L. Berry, General Chairman, Brotherhood of Locomotive Firemen and Enginemen, Chicago, North Shore and Milwaukee Railroad; and R. R. Klontz, General Chairman, Brotherhood of Locomotive Firemen and Enginemen, Chicago, Aurora & Elgin Railroad Company, on behalf of the Locomotive Firemen and Enginemen. For the Carriers: Ralph R. Bradley, General Counsel, Frederick E. Stout, General Solicitor, and Robert E. Quirk, Associate Counsel, in behalf of the Chicago, North Shore and Milwaukee Rail-

road; and Arthur L. Schwartz, Trustee, and Ben Copple, Counsel for Trustee, on behalf of the Chicago, Aurora & Elgin Railroad Company.

Upon the evidence adduced, the conferences had, and the agreements resulting therefrom, this report is based.

THE EMERGENCY

On November 28, 1944, the two Brotherhoods, through their respective officers, served notice upon each of the Carriers here involved of their desire to change the rates of pay then in force in such manner as to establish the following rates:

Motormen.....	\$1.1325 per hour.
Hostler Switchmen.....	1.1325 per hour.
Conductors.....	1.1325 per hour.
Collectors.....	.9725 per hour.
Freight Brakemen.....	.9725 per hour.

The amount of basic wage increase requested was 16 $\frac{1}{4}$ cents per hour in the basic wage rate of Motormen, Conductors and Switchmen, and 12 $\frac{1}{4}$ cents per hour in that of Collectors and Brakemen.

Conferences between the Carriers and the Brotherhoods having been without result, the aid of the National Mediation Board was invoked, but its efforts were fruitless. As a consequence, pursuant to an election held, the employees voted to withdraw from the service of the Carriers on July 2, 1945. The strike date having been postponed, this Emergency Board was created as hereinabove recited.

Considering the fact that the dispute involved was finally settled, subject to the approval and certification by the Board, by agreement of the parties, we deem it unnecessary to give any detailed description of the railroads here involved. Insofar as it has reference to the nature of the services of the employees of these carriers, reference is made for a general description thereof to a report to the President by an Emergency Board, dated October 4, 1944, relating to a dispute between the same parties.

HEARING BEFORE THE BOARD

From July 16 to July 27, 1945, inclusive, the Board heard evidence and held numerous conferences with the parties in an effort to bring about a settlement of the dispute, which culminated on the last named date in agreements in settlement of the differences which were submitted to this Board. The respective agreements are as follows:

Agreement between the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen and the Trustees of the Chicago, North Shore and Milwaukee Railroad Company

Memorandum of agreement entered into at Chicago, Ill., this 27th day of July 1945, between the Brotherhood of Locomotive Firemen and Enginemen and the

Brotherhood of Railroad Trainmen, and the Trustees of the Chicago, North Shore and Milwaukee Railroad Company.

As a means of disposing of a wage controversy submitted by the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen to the Management of the Chicago, North Shore and Milwaukee Railroad Company, under date of November 28, 1944, we are agreed (providing the Emergency Board now hearing this case can consistently certify that this agreement is in conformity with the National Stabilization Program) as follows:

(a) Effective December 28, 1944, an increase of 4 cents per hour will be added to the present wage scale of Motormen, Conductors, Collectors, Freight Brakemen and Switch Tenders.

(b) These agreed upon increases will be incorporated in and become a part of the existing contract now in effect between the above named Brotherhoods and the Carrier.

NOTE.—The Carrier desires to make clear that 2 cents of the above-mentioned 4 cents per hour increase is agreed to for the reason that certain other groups of employees on this property now receive 2 weeks vacation with pay each year while these groups receive but one.

C. L. BERRY,

*General Chairman, Brotherhood of
Locomotive Firemen and Enginemen.*

Approved: G. A. Meade, Vice President B. of L. F. & E.

BERNARD G. FALLON,

*Executive Officer for the
Trustees, Chicago North Shore
and Milwaukee Railroad Company.*

JOHN L. SMEDBERG,

*General Chairman, Brotherhood of
Railroad Trainmen.*

Approved: J. A. Zanger, Vice President B. of R. T.

Agreement between the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen, and Trustee of the Chicago, Aurora and Elgin Railroad Company

Memorandum of agreement entered into at Chicago, Ill., this 27th day of July 1945, between the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen, and the Trustee of the Chicago, Aurora and Elgin Railroad Company.

As a means of disposing of a wage controversy submitted by the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen to the Management of the Chicago, Aurora and Elgin Railroad Company, under date of November 28, 1944, we are agreed (provided the Emergency Board now hearing this case can consistently certify that this agreement is in conformity with the National Stabilization program) as follows:

(a) Effective December 28, 1944, an increase of 4 cents per hour will be added to the present wage scale of Motormen, Hostler-Switchmen, Conductors, Collectors and Freight Brakemen.

(b) These agreed upon increases will be incorporated in and become a part of the existing contract now in effect between the above named Brotherhoods and the Carrier.

NOTE.—The Carrier desires to make clear that 2 cents of the above-mentioned 4 cents per hour increase is agreed to for the reason that certain other groups of

employees on this property now receive 2 weeks vacation with pay each year while these groups receive but one.

R. R. KLONTZ,
*General Chairman, Brotherhood of
Locomotive Firemen and Enginemen.*

Approved: G. A. Meade, Vice President B. of L. F. & E.

ARTHUR L. SCHWARTZ,
*Trustee, Chicago Aurora and
Elgin Railroad Company.*

E. O. WEAVER,
*General Chairman, Brotherhood of
Railroad Trainmen.*

Approved: J. A. Zanger, Vice President B. of R. T.

The wage demands of the Brotherhoods as set forth in the strike ballot and notice to the Carriers were based, it developed at the hearing, upon the contention that the Carriers should pay what the Brotherhoods designated as "standard Railroad wages." The Carriers, on the other hand, contended that they should not be so classified for wage purposes, and that the financial condition of the railroads, present and prospective, is such as would make their operation impossible if they should be so classified for wage purposes or, indeed, if the increases which were demanded by the Brotherhoods should be allowed. They further contended that the demanded increases would be violative of wage stabilization legislation and directives issued under authority thereof.

In the light of the agreements entered into we find it unnecessary to resolve these questions. There remains for us only to determine whether the wage rate agreed upon is in conformity with such legislation and directives.

During the course of the hearings it was brought out that certain employees of the Carriers who are represented by labor organizations other than the Brotherhoods here involved, received annually 2 weeks' vacation with pay, whereas the employees of said Carriers represented by these Brotherhoods receive but 1 week vacation. This amounts to an inequality unfavorable to the employees represented by these Brotherhoods to the extent of approximately 2 cents per hour.

It likewise appeared from the evidence that a condition in the nature of an inequality on account of unusual conditions under which the employees are required to work, taking into consideration the unavailability of a sufficient number of employees, the physical condition of the property of the Carriers, the increasing volume of transportation, and the unusual and necessary but untimely calling of employees to the service, justifies an additional 2 cents per hour, a precedent for which is found in National War Labor Board formula as set forth in Bonus Resolution of July 11, 1945.

From the foregoing, we are of the opinion, and so find, that the increase provided for in the contracts entered into by the parties is not violative of the provisions of the National Stabilization Program.

The Board takes pleasure in expressing its appreciation of the splendid cooperation received from the representatives of both sides in this action. Throughout the hearings good feeling was manifest and the interests of the respective parties were ably presented.

CERTIFICATION

In accordance with the provisions of the Stabilization Act of October 2, 1942, as amended by Section 202, approved June 30, 1944, this Board certifies that in its opinion the wage increase agreed to by the parties is consistent with the standards now in effect, established by or pursuant to law for the purpose of controlling inflationary tendencies.

Respectfully submitted.

ROGER I. McDONOUGH, *Chairman.*

JOHN W. YEAGER, *Member.*

ROBERT W. WOOLLEY, *Member.*