Report

TO

THE PRESIDENT

BY THE

EMERGENCY BOARD

CREATED NOVEMBER 6, 1952, BY EXECUTIVE ORDER 10406 PURSUANT TO SECTION 10 OF THE RAILWAY LABOR ACT, AS AMENDED

To investigate an unadjusted dispute between the United Air Lines, Inc., and certain of its employees represented by the Flight Engineers' International Association, UNA Chapter

(NMB No. A–3910)

WASHINGTON, D. C.
JANUARY 2, 1953

(No. 103)

LETTER OF TRANSMITTAL

JANUARY 2, 1953.

THE PRESIDENT,

The White House, Washington, D. C.

MR. PRESIDENT: The Emergency Board created by you on November 6, 1952, by Executive Order 10406 pursuant to section 10 of the Railway Labor Act, to investigate an unadjusted dispute between United Air Lines, Inc., and certain of its employees represented by the Flight Engineers' International Association, UNA Chapter, a labor organization, has the honor to submit herewith its report and recommendations based upon its investigation of the issues in dispute.

Respectfully submitted.

SAUL WALLEN, *Chairman.*
ROBERT O. BOYD, *Member.*
HAROLD R. KOREY, *Member.*

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HISTORY OF THE EMERGENCY BOARD

This Emergency Board, designated by the National Mediation Board as Emergency Board No. 103, was created November 6, 1952, by Executive Order 10406 of the President:

EXECUTIVE ORDER

CREATING AN EMERGENCY BOARD TO INVESTIGATE A DISPUTE BETWEEN THE UNITED AIR LINES, INC., AND CERTAIN OF ITS EMPLOYEES

Whereas a dispute exists between the United Air Lines, Inc., a carrier, and certain of its employees represented by the Flight Engineers' International Association, UNA Chapter, a labor organization; and

Whereas this dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

Whereas this dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive a section 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 the said dispute. No member of the said Board shall be pecuniarily or otherwise interested in any organization of employees or any carrier.

The Board shall report its findings to the President with respect to the said dispute within 30 days from the date of this order.

As provided by Section 10 of the Railway Labor Act, as amended, from this date and for 30 days after the board has made its report to the President, no change, except by agreement, shall be made by the United Air Lines, Inc., or its employees in the conditions out of which the said dispute arose.

In performing its functions under this order the Board shall comply with the requirements of section 502 of the Defense Production Act of 1950, as amended.

(Signed) HARRY S. TRUMAN.

In due course the President appointed the following as members of the Board: Saul Wallen of Boston, Mass., Robert O. Boyd of Portland, Oreg., and Harold R. Korey of New York, N. Y. The Board convened in Room 228, United States Courthouse, Chicago, Ill., on November 19, 1952, and elected Saul Wallen as chairman and approved Johnston and King of Washington, D. C., as official reporters of the proceedings.

The company was represented by Charles F. McErlean and Edmund A. Stephan and several of the company's officers and officials; the employees were represented by William D. Kent and Maurice W. Fessler and a number of union officials.

The hearings extended from November 19, 1952, to and including November 26, 1952, and full opportunity was accorded to the parties freely to submit all testimony, argument, exhibits, and any proof they deemed relevant to the dispute. The record of the proceedings consists of 825 pages of testimony and argument and includes 100 exhibits. The entire transcript of the proceedings and the exhibits are transmitted herewith and made part of this report.

Before the hearings were closed the parties agreed to a 30-day extension of the time limit stated in the Executive order and on December 1, 1952, the President approved this extension of time,

At the conclusion of the hearings the Board met with the parties, jointly and separately, in Chicago and then at the call of the chairman, the Board reconvened for conferences in Boston, Mass., on November 28, 1952, and again met with the parties jointly and separately, and made an earnest effort to secure a settlement of the dispute by mutual agreement. This was in pursuance of a paragraph in the President's letter of appointment to each of the members of the Board, reading as follows:

> The board will organize and investigate promptly the facts developed, make every effort to adjust the dispute and report thereon to me within the 30 days from the date of the Executive order.

However, the Board's efforts to mediate the dispute proved unsuccessful. The Board thereupon concluded the sessions and completed the preparation of this report.

Although in a technical sense all of the provisions of the prior contract are in dispute, at the first session of this proceeding the parties stipulated that they would limit their presentation to the subjects discussed in this report, with the joint expectation that if these could be satisfactorily resolved the other issues would constitute no stumbling block to an agreement. The proceeding was conducted on this basis and this report will be developed in conformity therewith.

Background of Dispute

The parties to this dispute are the United Air Lines, Inc. and Flight Engineers' International Association, UNA Chapter, which represents the flight engineers employed by the United Air Lines, Inc. The last agreement between the parties was executed February 9, 1951, and became effective that date except that section 5 (Compensation), paragraph A, subparagraph 1, and section 6 (Expense and Lodging), paragraphs A and E, became effective February 1, 1951, subject to approval by the Railway and Airlines Wage Stabilization Board.

This agreement was to continue in full force and effect until February 1, 1952, and was to renew itself thereafter without change until each succeeding February 1, unless written notice of intended change was served in accordance with section 6, title I of the Railway Labor Act, as amended, by either party hereto at least 30 days prior to February 1 of any year.

On December 26, 1951, the association served notice upon the company that it desired to renegotiate the agreement between the parties and transmitted with such notice a draft of a proposed agreement incorporating its proposed changes. In its letter the association requested that conferences begin on Monday, January 7, 1952. At the request of the company, however, negotiations did not commence until February 4, 1952, after the company had served notice of its proposals for changes in the agreement. After about five negotiating conferences the union, because it deemed further direct negotiations with the company futile, applied, on or about February 25, 1952, to the National Mediation Board for mediation. On March 22, 1952, Mr. William D. Kent, president of Flight Engineers' International Association, again wrote to the National Mediation Board requesting that a mediator be assigned as soon as possible. Thereupon, Mediator Wallace G. Rupp was assigned and mediation of the dispute was commenced on April 15, 1952. However, mediation did not compose the differences between the parties and Mediator Rupp, on or about May 23, 1952, reported to the National Mediation Board that "his best efforts to bring about an amicable settlement through mediation has been unsuccessful." The National Mediation Board suggested that the parties enter into an agreement to submit the controversy to arbitration. The union rejected the proffer of arbitration, although the company in its letter of June 12, 1952, to E. C. Thompson, secretary, National Mediation Board, set forth its willingness to arbitrate the controversy provided a satisfactory agreement to arbitrate could be reached in accordance with section 8 of the Railway Labor Act.

Again, on June 17, 1952, the National Mediation Board wrote to Mr. Kent and referred to the Board's letter of June 9, 1952, addressed jointly to Mr. R. F. Ahrens, vice president personnel and Mr. Kent concerning the proffer of arbitration dated May 23, 1952, and the company's reply dated June 12, 1952, advising that the company was willing to submit this dispute to arbitration. However, the union did not accept this proffer of arbitration and under these circumstances the National Mediation Board's services were terminated.

As late as October 27, 1952, further efforts by the parties to negotiate a new agreement failed and on November 5, 1952, on very brief notice, a strike of the flight engineers was called. This strike

caused the interruption of interstate commerce and necessitated the creation of this Emergency Board by the Executive order of the President, heretofore set forth.

The Job of Flight Engineers

United Air Lines is certified and authorized by the Civil Aeronautics Board to operate its airplanes from coast to coast, servicing domestically such cities as Boston, New York, and Washington on the east coast and cities from Seattle to Los Angeles and San Diego on the west coast, as well as most of the intermediate major cities of the country. It also provides service overseas from the west coast to Hawaii.

In the domestic service the company operates various types of aircraft, including DC–3, Convair, DC–4, DC–6, DC–6B, and Boeing 377. DC–7 aircraft are on order. We are concerned herein with the DC–6, DC–6B, and Boeing 377 aircraft because flight engineers are employed only on these types of aircraft, which exceed the 80,000-pound certificated gross weight above which Government regulations require the employment of a flight engineer. The maximum gross weight of the DC–6 is approximately 92,000 pounds. The maximum gross weight of the DC–6B is approximately 100,000 pounds. The maximum gross weight of the DC–7 is expected to be approximately 120,000 pounds. The maximum gross weight of the Boeing 377 is approximately 143,000 pounds.

The services of flight engineers followed the introduction of the heavier, larger, speedier, and greater power multiengined planes with their complex systems and instrument panels. The Civil Aeronautics Board determined, after hearings in October 1948, that on and after December 1, 1948, certified flight engineers were necessary in the operation of four-engine aircraft certificated for more than 80,000 pounds maximum take-off weight (sec. 61.161 of Civil Air Regulations, pt. 61, and sec. 41.73 of Civil Air Regulations, pt. 41).

The United Air Lines, prior to December 1948, commenced to train a number of its mechanics and others as flight engineers. Currently, it has on its payroll approximately 307 flight engineers, of which number approximately 290 are on active duty.

The duties of the flight engineer are multiple and varied. The record indicates that a flight engineer must be a highly trained and proficient technician. He performs duties which permit the pilot and copilot to give all of their time to actual flying. The CAB regulations require a licensed flight engineer to know his responsibilities and limitations under the regulations; to have a knowledge of aircraft engine operation and performance; to recognize malfunctioning

aircraft engines, propellers and other parts; and to make necessary emergency repairs. His preflight duties require him to check the aircraft to determine if it is airworthy and if its component parts are in good working condition. He must have the knowledge to make mathematical computations of engine operations and fuel consumption. He must be able to operate the power plants of an aircraft. Under the direction of the captain, he regulates the throttles in order to obtain the necessary power for take-off, cruising and landing. While in flight, it is his duty to watch the fuel, oil pressure, manifold pressure, and other gages to be sure that the aircraft engine and the various systems are functioning properly. He must log any malfunctioning so that the mechanics will be apprised of the necessary repairs. In addition to his responsibility for the engine system, he is also responsible in some aircraft for the hydraulic, heat and refrigerating, as well as electrical and oxygen systems. He has special functions outlined in emergency procedures.

These duties of flight engineers are performed by the captain and copilot on aircraft which do not require the services of flight engineers. While the flight engineer performs an important job in that he relieves the captain and copilot of many mechanical and monitoring duties, his actual duties and the skills and techniques he employs are markedly different from those of the pilot. To him has been delegated some of the duties previously performed by the pilot, leaving the latter free to concentrate on the remainder. The skill and knowledge required of flight engineers were a part of the job of the pilot. But the converse is not true. The flight engineer is not presently required to have the skill or knowledge of the pilot in the matter of aircraft operation.

Pay and Retroactivity

The flight engineers are currently being paid on the basis of a flat monthly salary graded according to longevity. This pay schedule is as follows:

	Domestic	*Overseas*
First 6 months	$420	$525
Second 6 months	440	550
Third 6 months	460	575
Fourth 6 months	480	600
Fifth 6 months	500	625
Sixth 6 months	520	650
Seventh 6 months	540	675
Eighth 6 months	560	700
Ninth 6 months	580	725
Tenth 6 months	600	

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THE UNION'S PROPOSAL

The union proposed the abandonment of this type of pay scale and the adoption of an entirely new system of compensation. Briefly it proposed a pay scale composed of the following elements:

(*a*) *Basic pay.*—This would vary from $450 to $725 a month for domestic operations and from $525 to $800 a month for overseas operations according to longevity with the top figure reached in the twelfth 6 months.

(*b*) *Equipment checkout pay.*—Flight engineers checked out on DC–6B equipment would be paid $15 per month additional and those checked out on B–377 equipment would receive $35 per month additional.

(*c*) *Mileage pay.*—In addition to other types of pay, flight engineers would be paid 1¾ cents per mile for all miles flown in excess of 15,600 miles per month, this figure to be computed on the basis of pegged speeds of 260 miles per hour for DC–6, 275 miles per hour for DC–6B, and 265 miles per hour for B–377 aircraft.

(*d*) *Gross weight pay.*—In addition to other types of pay, flight engineers would be paid 1¼ cents per thousand-pound hour for all thousand-pound hours in excess of 5,580, this figure to be computed on the basis of gross weights of 93,000 pounds for DC–6, 100,000 pounds for DC–6B, and 143,000 pounds for B–377 aircraft.

(*e*) *Deadhead pay.*—This request was for additional compensation of one-half times the basic monthly rate divided by 85 for each hour of deadhead time not credited as flight time.

(*f*) *Reserve duty pay.*—Payment of time and one-eighth the basic monthly pay to flight engineers on reserve duty a full month, to be prorated in the case of those on reserve duty for a lesser period.

The total yield to flight engineers in their sixth year who fly 75 hours per month on a DC–6 would be $798 per month in the place of the present $600. On the DC–6B it would be $839 instead of $600. On the B–377 it would be $963 instead of $725.

The association labeled this method of compensation a "productivity-incentive type pay" the basic pay portion of which constitutes the monthly guarantee for certain ground duties and for flying up to 15,600 miles and 5,580 thousand-pound hours of gross weight. When this mileage and/or gross weight is exceeded, additional compensation would be earned. The rationale is that flight engineers produce passenger and cargo revenue miles for which they should be paid after the amount compensated for by the basic pay has been exceeded.

The company objected strenuously to this proposed method of com-

pensation. It maintained that this method would create a wage structure based on components which bear no relationship to the job which flight engineers perform. The work of the flight engineer is not related, in the company's view, to the gross weight or speed of aircraft. Furthermore, the association's proposal is geared to 60 hours of flying on a DC–6 aircraft. For example, the basic pay portion would cover a maximum of 15,600 miles of flying, which is 60 hours of flying in a DC–6 with a pegged speed of 260 miles per hour. In a DC–6B the basic pay would be earned after 56.7 hours of flying because its pegged speed is 275 miles per hour. In a Boeing 377, the pegged speed of which is 265 miles per hour, 58.8 hours of flying would yield the basic pay. If an aircraft with a 300-mile per hour pegged speed were placed in service mileage pay would be earned after only 52 hours of flying. Similarly, gross weight pay under the proposal would be geared to 60 hours of flying in a standard DC–6; in a DC–6B gross weight pay would accrue after 55.8 hours; in a Boeing 377 after only 39 hours. The company labeled these features of the association's proposal penalty pay for flying more miles and heavier aircraft.

The company likewise characterized the equipment checkout pay feature of the association's proposal as unprecedented in the industry and a device to automatically boost the earnings of the flight engineers. Its DC–6's and 6B's are used interchangeably and all its flight engineers are checked out on both. Hence all of them would automatically get the $15 per month under the association's proposal.

The Board finds that no basis exists at this time for the adoption of either the principle or the specifics of the association's pay proposal. No precedent for it is to be found in the industry, either among pilots or among flight engineers. It would saddle this company with a new and complicated type of pay formula. Even more important is the fact that under this formula the basic pay would compensate for a declining number of hours of flying as the speed and gross weight of the aircraft increased and would provide extra payment for flying the aircraft within the basic work month, and on top of that further compensation for additional flying. Finally, under this type of pay formula flight engineer's flight pay would tend to approach and eventually exceed that of pilots. The apparent justification for such a result is that in future aircraft the job of the flight engineer will increase in responsibility and worth both absolutely and relatively in relation to the other cockpit crew members. We have been presented with no evidence that this is likely to occur. The technology of future aircraft may complicate the job of pilot and simplify that of flight engineer or it may affect these jobs in reverse. Until more is known about the job content of the flight engineer's job

in the speedier and heavier aircraft which may some day be placed into service, it would be unwise to establish a pay formula to govern the job under those conditions.

The Alternatives

The alternatives to the association's proposal are twofold. One is to continue the flat monthly pay system of the type now in effect on this property, though not necessarily at the same level. This was the approach to the problem recommended in the TWA case (Emergency Board No. 101) and in the Northwest Airlines case (Emergency Board No. 102). But this approach was rejected by the parties themselves in those cases, for in their subsequent negotiations they agreed on the second alternative present in this case. That was to set up for flight engineers the same type of increment pay system currently in effect for pilots on all airlines and already in force for flight engineers on Eastern, TWA, Northwest, and National.

The Board's Approach

In the Board's judgment, the second alternative is the appropriate one in the instant case for several reasons. In the first place, no comprehensive evaluation of the flight engineer's job has ever been made and the possibility of such an evaluation is currently remote. In its absence we are compelled to look to the rough evaluation of the market place of collective bargaining to establish the worth of the job, both in terms of absolute wage levels and in terms of the components designed to yield that wage level. On this point the judgment of the market, as expressed by the bargains struck by the parties in the airlines mentioned above, is clear. A level of rates, varying only slightly in amount, has already been developed. A system of payment, including a monthly base and guaranty, with additional compensation based on miles and thousand-pound hours of gross weight flown, has also been instituted for flight engineers as it has long existed for pilots and is also in effect for copilots following the recommendations of the Cole report (Emergency Board No. 94).

In the second place, the parties to this proceeding have themselves exchanged proposals based on the increment-type pay principle during the course of their bargaining prior to the appointment of this Board. In other words, they have already recognized the realities of the situation confronting them.

There is a third consideration. Although we have refused to speculate about the worth of the flight engineer's job in aircraft now only in the development stage, there is, in our opinion, considerable validity to the viewpoint that the value of the flight engineer's services in-

creases to some degree when he works as part of crew that operates the speedier and heavier aircraft currently in service. The most important factor in his job is the element of responsibility. There is no gainsaying the contention that even if other features of his work remain the same or vary slightly with the increase in the size of aircraft, this factor of responsibility increases in importance. More valuable equipment, larger cargoes, and a greater number of lives depend upon the proper performance of the flight engineer's duties. Likewise, greater speeds may well mean increased passenger-miles, the flying of which is dependent, in part, on the flight engineer. And if it be true that future aircraft of greater speed and size will also have more complex mechanical systems that the flight engineer will have to operate or monitor, his absolute workload may also increase. We think it reasonable that flight engineers should be compensated according to a pay formula that will give at least partial effect to these conditions as they exist in aircraft currently in service. All increment type of pay system of the type currently in effect on other airlines compensates at least in part for differences in this factor of responsibility as between aircraft of varying speeds and gross weights.

Having determined on an increment type pay system, the following questions present themselves: What level of earnings should the pay formula yield? Can the flight engineers be expected to get that number of hours of flying which will permit them to achieve this level of earnings? What shall be the relationship between hourly, mileage, and gross weight pay in the pay formula?

We have stated earlier that in the absence of a comprehensive, scientific evaluation of the worth of the flight engineer's job we are compelled to look to the rough evaluation of the market place for an estimate of its worth. Recent wage settlements on TWA, National, and Northwest Airlines have resulted in an earnings level which represents the current evaluation of the worth of these services arrived at through the collective-bargaining process. There are currently in the industry no higher wage scales for flight engineers. In our judgment, any increment-type pay formula should yield United's flight engineers that level of earnings currently being earned by flight engineers on TWA and National flying comparable equipment for the same average number of flying hours.

The exact level of earnings will depend on the number of hours the flight engineers are able to fly. An estimate of the likely number of hours of flying must be based in part on prior experience in this respect. The carrier introduced data to show that its flight engineers, less reserves, had a monthly average of 77 hours of flying per month in the years 1950–52, inclusive. The association presented data to

show that average flight engineer utilization was 70.3 hours. Each party questioned the utilization figure advanced by the other. The company defended its data as having been taken from its records and it offered to produce the data on demand. The union explained that its figure was based on a survey it conducted among its members who drew their individual experience from their log books and it likewise offered to produce the figures on which its calculation was based.

The disparity in the results of the calculations of the parties remains unexplained. The limit on flight time is 85 hours per month. The problems of scheduling, illness, vacations, and like factors make the achievement of this maximum impossible. On the other hand, an increment-type pay system, by compensating flight engineers for additional flight time, should impel them to minimize time losses within their control and thereby tend to increase the average utilization. It is our best estimate that an average utilization of 75 hours per month is likely.

The final question has to do with the relationship between hourly, mileage, and gross weight pay in the increment-type pay formula to be recommended. The association seeks a relationship between these factors that is the same as it is in the pay scale for pilots. Of the total flight pay a pilot receives, about 60 percent is in the form of hourly pay, about 30 percent is in the form of mileage pay and about 10 percent is in the form of gross-weight pay. The association's aim is to establish a pay formula which will assure flight engineers the maintenance of a constant percentage relationship between the flight pay of flight engineers and the flight pay of the other cockpit-crew members as the speed and gross weight of aircraft increase. It admitted that the continuation of such a relationship should be conditioned on the continuation of the present relationship between the worth of the three jobs as measured by their relative responsibilities, skills, and the like. But the association, in its approach to the problem, assumes that this relationship will remain constant—that in future aircraft the worth of the services of both pilots and flight engineers will increase and in at least the same ratio. From this assumption it reasons that if mileage pay comprises a lesser percentage of the flight engineer's flight pay than it does in the case of pilots, the former will lose ground relative to the other cockpit-crew members as speedier aircraft are flown. Hence the association urged the adoption of a pay formula in which the flight-pay factors are allocated the same weights as in the pilot's pay formula.

The company was opposed to this type of allocation for two reasons, one of which it stated and the other of which we infer. The stated reason was that on the other airlines there is no such allocation among

the flight pay factors. The inferred reason is that it knows that in future aircraft the greatest advances will be in speed; hence it seeks to establish a pay formula that will minimize this factor as an element in flight pay. If it can minimize the importance of mileage pay in the total flight pay package, the impact of increased speeds of aircraft on flight engineer compensation will be lessened. The company reasons that this impact should be lessened because there is no intimate relationship between the speed factor and the worth of the flight engineer's services. Hence it would prefer to see as much of the flight pay package as possible allocated to the hourly rate factor and as little as possible to the mileage rate factor.

Both parties have been obdurate on this point not because it affects significantly the pay yields on aircraft presently in service, or even the pay yield on the DC–7 if and when it is placed in operation, but because they both have an eye to the future. Each is imbued with the conviction that once a pay formula is established, it tends to be carried over to new conditions whether suitable or not, and that a change in the formula to meet new conditions is difficult if not impossible to achieve.

The Emergency Board does not accept this thesis of the parties. It is of the opinion that they have an obligation to concentrate on the known, existing conditions under which they are operating. There is no justification for the position that the present dispute must yield a wage formula which will be applicable to future conditions the full nature of which are as yet unknown. The basic problem confronting the association and the company is to develop a pay formula that will be fair for the operation of the DC–6, the DC–6B, the Boeing–377 and (since there is at least a possibility that it may be placed in operation during the life of the next agreement), of the DC–7 as well. Their concern with the system of pay for flight engineer services on 500-mile-per-hour jet planes is unrealistic in the light of the relatively short term contract they are seeking to conclude, inasmuch as the likelihood that such airplanes will be put into service during the life of their next contract is, we are convinced from the testimony, so remote as to be virtually nonexistent. At the same time both parties, if they concentrated on solving the immediate problem before them, would wish to be assured that the pay formula established to solve it is intended to apply only to the aircraft mentioned above and is not to constitute a binding principle to be carried over automatically in the event of the introduction of radically different aircraft.

The immediate problem before the parties is to find a basis for settling a current dispute over pay for flying present aircraft. Their concern for the future should not deter them from coming to grips

with the present, for they will be free to deal with future problems when they become real. With these principles as a guide, the Board will recommend that the pay formula agreed to by the negotiators on TWA, applied to the gross weight and pegged speeds of United aircraft, be adopted by the parties in this case. We will also recommend that the hourly pay factor be graded according to speed brackets, as in the case of United's pilots. The resultant yield will be slightly higher on United than it is on TWA for comparable airplanes because the pegged speeds and gross weight on the DC–6B's and Boeing–377's are higher than on TWA's airplanes and because of the impact of the graded speed brackets on hourly pay. This formula results in a flight pay package with a relationship to the flight pay of the other cockpit crew members which is constant whether the crews man a DC–6, a DC–6B, a Boeing–377, or a DC–7. The Board will also recommend that the parties include in the wage section of their agreement a clause which acknowledges that this pay formula was negotiated and agreed upon as appropriate for the airplanes mentioned above only, and that its inclusion in their agreement constitutes no recognition by either as to its continuing validity in the event other types of aircraft are placed in service.

The Board is of the opinion that its recommendation if adopted, will result in a fair and equitable settlement. It will compensate United's flight engineers at a level somewhat above the current collectively bargained level of wages. It will introduce into this Company for the first time the principle of the increment-type pay system. It will yield a uniform percentage relationship between flight engineers' flight pay and pilots' flight pay when they fly the known types of aircraft in which there appear to be a covariation in the factor of responsibility. Finally, it will commit neither party to a pay formula that is automatically applicable to the aircraft of the future. They will be free to deal with the problem of determining the worth of the flight engineer's job in the jet planes which may some day be placed in passenger service on United in the light of facts rather than of conjecture.

As to retroactivity, our recommendation will be that the increased wage scale be made effective as of May 1, 1952, rather than the February 1, 1952, date requested by the association or the effective date of the new contract as proposed by the company. We are aware that, other things being equal, retroactivity to the date of expiration of the prior contract is usually in order so as not to penalize the employees for the inevitable delays in concluding succeeding agreements. But part of the delays in this case were directly chargeable to the failure of the association to press negotiations on United because

it was watching developments on other carriers. Specifically, it made no moves looking toward a settlement in the three months period after June 1952, when it should have pressed vigorously for a settlement. We do not think this period should be chargeable to the company. Hence our recommendation that the new rates be made effective as of May 1, 1952.

QUALIFICATIONS

Section 10–B of the 1951 agreement reads as follows:

> If during the life of this agreement additional technical qualifications are required of flight engineers in the company's service, reasonable opportunity shall be given by the company to enable the flight engineers who are affected to acquire the additional qualifications.

This provision was placed into the 1951 agreement as a protection for presently employed flight engineers in the event that either the company or the regulatory authorities impose additional technical requirements for the job. For example, some airlines have a requirement that flight engineers must be qualified as pilots. The CAB could conceivably impose such a requirement on all airlines. Or United could, in the exercise of its right to determine the qualifications necessary for a job, impose this requirement. Or it could require that flight engineers have A and E airmen's certificates. Section 10–B was designed to give presently employed flight engineers a reasonable opportunity to meet such new requirements.

However, it developed during the negotiations which culminated in the present proceeding that the parties were in basic disagreement over what "reasonable opportunity" means. The company indicated that it leans to the interpretation that it is obligated only to give its flight engineers a reasonable length of time in which to acquire the additional qualifications it or the Government might find it necessary to impose. The association interpreted "reasonable opportunity" to mean that the company is obligated to give the flight engineers not only the time but also the equipment and facilities necessary to acquire the skills called for by the added qualifications and to pay them for the time spent in acquiring them.

Because of the strong disagreement over the interpretation of section 10–B, the association proposed that it be revised to read as follows:

> If during the life of this agreement additional qualifications are required of flight engineers in the company's service, the company shall furnish the necessary equipment and/or adequate facilities to enable the flight engineers to meet such additional qualifications and the flight engineers shall have ample training time to enable them to complete such qualifications. For such training time the flight engineers shall not be paid less than the transition training rates provided elsewhere in this agreement.

The association argued that while it does not deny management the right to determine qualifications, its members should not be called upon to bear the brunt of the company's decisions in the matter. If flight engineers are not given the means whereby they can acquire the technical qualifications which the company or the Government in their judgment find it necessary to impose, then they have no job security in any real sense. To interpret "reasonable opportunity" as requiring only the granting of a reasonable time to qualify is, as the association sees it, meaningless. It costs several thousand dollars for private flying instruction, for example, a sum which is beyond the reach of most flight engineers even if they were given ample time in which to get such instruction.

The company, while not admitting that the imposition of new qualifications was imminent, also would not deny that it was a live possibility. It argued that it should not be saddled with the very considerable cost that would be involved if it were required to train flight engineers if a pilot or A and E mechanic qualification were introduced. It urged the retention of the present provision and a review of the problem when and if a live question presented itself. The company also sought to minimize the problem by pointing out that approximately 90 of the 290 flight engineers already have one or more pilot's ratings, that others have A and E licenses and that in the event of the introduction of a pilot qualification, some flight engineers would probably fail to meet it because of inability to meet the Government's or the company's physical standards. Finally, the company indicated a willingness to have flight engineers who lose their jobs because of a change in qualifications and for whom other jobs could not be found, covered by the severance pay provision of the contract.

The Board is of the opinion that the problem presented by the possibility of a change in qualifications for flight engineers is a real one. To the flight engineer it could mean the abrupt termination of his career because of a decision wholly in the control of the company or the Government. To argue that he is entitled to nothing more than a reasonable length of time to acquire the new skills is to give him little or no protection.

The imposition of additional qualifications by the company will presumably be prompted by advantages that will accrue to it. If imposed by the Government they will presumably be prompted by considerations of safety likewise redounding to the advantage of the carrier. If the flight engineer is required to expend considerable of his own money in order to meet these new conditions, he will be assuming all of the burdens and the company will be securing all of the advantages

in a situation which is of mutual concern. We think that equity will be served by retaining the present section 10–B and adding to it a provision spelling out what is meant by "reasonable opportunity," in the event the requirement of a pilot or A and E airmen certificate qualification is added to the flight engineer's job. We will recommend a provision that will impose on the company an obligation to give the men a reasonable time to acquire such qualification, at no expense to them but on their own rather than company time, and that will give severance pay protection to those not physically qualified or unwilling to take such training, although not to those unable to qualify after receiving such training.

System Board of Adjustment

The current agreement between the parties anticipated the establishment of a system board of adjustment. The parties have attempted to create such a board but they have not been able to agree upon language defining its jurisdiction. The position of the association is that the jurisdiction of the board should be as broad as is authorized for such a board by the Railway Labor Act. The specific language requested is as follows:

> The board shall have jurisdiction over disputes between any employee (other than a probationary employee) covered by this agreement, and the company and between the company and the association, growing out of grievances or out of the interpretation or application of any terms of this agreement. The jurisdiction of the board shall not extend to proposed changes in rules, basic rates of compensation or working conditions covered by this agreement or any amendments thereto.

The carrier's proposal is that:

> The board shall have jurisdiction over disputes * * * growing out of grievances concerning disciplinary action, rules, rates of pay, or working conditions covered by this agreement, * * *.

The parties are in accord that the board shall not have jurisdiction over proposed changes in rules, basic rates of compensation, or working conditions covered by the agreement. Neither party is willing presently to bind itself to accept arbitration of such matters. Likewise, both parties are in accord that the jurisdiction of the board shall include disciplinary matters other than as may affect a probationary employee. The difficulty between the parties lies in their differing concept of the word "grievances."

The association contends that the word "grievance" as used in its proposed definition of the jurisdiction of the system board should have the same connotations as it has in section 3, title I of the Railway Labor Act. The act does not define a grievance, and the association

is unwilling to write into the agreement any limitation on such disputes. It does not want to be foreclosed from bringing to the system board any grievance involving a working condition which has developed through custom and practice but which is not specifically dealt with in the contract. On the other hand, the company fears that if grievances are not limited to those arising out of the application or interpretation of the terms of the agreement, the entire field of what is referred to as the managerial prerogative becomes subject to the jurisdiction of the system board. The company insists that in such matters a system board should not be cloaked with authority that would permit it to substitute its judgment for that of the company.

It is a recognized principle of industrial relations that there are areas in management-union relations in which management's decisions are properly reviewable by the collective bargaining agent and by a neutral where one is provided, and that on the other hand there are areas not appropriate for such review. The problem of spelling out a sharp and clear line of demarcation between these areas, however, is difficult if not impossible. The association in this case proposes to meet this problem by conferring on the system board of adjustment whatever jurisdiction is implicit in the word "grievances" as used in the Railway Labor Act.

In this Board's judgment, this solution begs the question. The word "grievances" is nowhere defined in the act and has not been interpreted by the courts or the National Mediation Board, so far as we know. Under the association's proposed language a conscientious system board would in each case have to determine whether a "grievance" involved a matter that is properly within management's sole discretion, whether it is one that should properly be left to collective bargaining, or whether it is one that is appropriate for third party determination. A less conscientious system board could conceivably deem any dispute a grievance and rule on it even if it involves a matter that should properly be left to management's sole discretion or to negotiations rather than arbitration. The company quite properly balks at courting such a risk.

In the Board's view, the jurisdiction of the system board should not extend to basic changes in the parties' agreement. Such changes should be left to collective bargaining. Nor should it extend to matters customarily recognized as being within management's sole discretion such as the determination of stops, qualifications for personnel and the like. On the other hand, the system board should have the power to resolve disputes not covered by these categories even though they involve matters not specifically referred to in the agreement, if through custom and practice they have been recognized as questions

in which the parties have a joint voice. We believe that the agreement should confer on the system board jurisdiction over disputes growing out of dismissals or disciplinary actions, and over disputes dealing with rates of pay, rules and working conditions as they relate to the application and interpretation of the agreement. When, in relation to such disputes the terms of the agreement are clear those terms will govern. When the agreement is ambiguous or uncertain as to coverage the system board will, as in all cases involving contract construction, look to the past conduct of the parties, among other tests, for clues to the agreement's intent. In order to avoid litigation and promote prompt dispute settlement the clause should also provide that the system board shall have the power to determine whether any matter submitted to it is within its jurisdiction. Finally, the clause should state that the system board shall not have the power to alter or amend the contract. We will recommend accordingly.

No-Strike Clause

The company requested that a no-strike clause be written into the new contract. The association, while not agreeing, asserted that this matter could be resolved if the major items of the dispute are settled.

The parties are engaged in public transportation. The carrier operates pursuant to, and the employment of all its personnel is dependent upon, a certificate of convenience and necessity. The industry is tied closely to the public's needs. An interruption or stoppage of its operations affects not only the company but also the lives, property, and economic well-being of the public. Under the circumstances the parties have a special obligation to settle disputes without recourse to strikes or lockouts. We propose to recommend that the parties adopt a system board of adjustment for the settlement of grievances. If they do so there can be no valid reason for them not to agree that there shall be no strikes or lockouts over disputes falling within the jurisdiction of the system board. We will recommend that such a provision be included in the new agreement.

Overseas Bidding

The association requested extensive changes in section 9 of the current agreement relating to the method of filling vacancies. However, only that portion of its proposed section 9 dealing with overseas bidding was dealt with by the parties at the hearing. The proposal of the association is for the creation of two types of overseas vacancies which would be bulletined and bid. One type would be permanent in character, and the other would be temporary but of more than 60 days' duration. The reason advanced by the association for this pro-

posal is that while under the present rule all positions expected to be of 60 days or more duration must be bulletined, an engineer in a remote domicile has difficulty in ascertaining whether the position bulletined is likely to be of such duration as to justify his changing his domicile. Flight engineers consider overseas assignments as preferable, but such assignments should be of at least a year's duration to justify the cost of moving. Because of this uncertainty of duration senior men in remote domiciles have not bid for overseas vacancies and less senior men at the location have filled them. In order to give flight engineers guidance as to the probable duration of a vacancy the association proposes that in posting notices of overseas vacancies the company designate as permanent the positions expected to last a year or more, and as temporary the positions of more than 60 days' duration but less than a year. It does not ask that the duration be guaranteed but only that the company furnish its best estimate. It also asks that if a vacancy posted as temporary becomes permanent, it be reopened for bidding.

The carrier's position is that the proposal will substantially complicate the bidding practice, that it attempts under the present rule to estimate the probable duration of positions bulletined for bid, and that the operation of the proposed rule may indirectly result in additional expense.

Under the proposed rule, there would be no liability upon the carrier for a miscalculation of the duration of a vacancy; and the engineer eligible to bid on an overseas vacancy would continue to be under the obligation of exercising his own judgment as to whether to bid or not. On the other hand, if the company gives an estimate of how long the run is likely to continue bidders have a somewhat firmer basis for making up their minds about applying. We believe it reasonable to recommend that the company, when bulletining a position, should announce its expected duration. We will recommend that section 9 be amended to include such requirement, with the provision that an estimate of the duration of a position shall not be deemed a guarantee thereof. The flight engineers should be put on notice, however, that they will be in no position to complain if the actual duration turns out differently from the expected one. The association's request that vacancies posted as temporary but become permanent shall be reopened for bidding is also reasonable and we will recommend that it be granted.

Expenses for Meals and Lodging

Under the 1951 agreement the flight engineers are allowed a fixed sum for meals when they are at a regular lay-over point, and away

from their domiciles. These are the same for domestic and overseas and are as follows: Breakfast, $1.25; lunch, $1.35; and dinner, $2.25. The union has requested meal allowances as follows: Breakfast, $1.35; lunch, $1.50; and dinner, $2.75 for both domestic and overseas.

The union offered no statistical data to show that the cost of meals had materially increased since the allowances in their present contract were negotiated. The carrier presented the average menu prices of restaurants frequented by crew members at the several lay-over points. These showed that the daily cost of meals ranged from $3.82 in Seattle to $4.76 in Los Angeles. The present daily allowance totals $4.85.

The meal allowance by the company is standard for all of its employees and in the absence of a showing that prices have materially increased since the schedule was last adopted, we can find no basis for a change at this time.

The current agreement pledges the company to provide lodging at the regular lay-over points, but if none is available, flight engineers may obtain lodging and claim reimbursement for expenses actually incurred. In Hawaii, the flight engineers provide their own lodging and are reimbursed in the amount of $4 a day. The association requests an allowance of $7 domestic, and $8 in Hawaii, when adequate hotel rooms are not furnished by the carrier at regular lay-over places. When flight engineers are required to lay-over at places other than a regular lay-over point and lodging is not furnished by the company, the actual necessary expenses are allowed. When flight engineers are away from home on temporary scheduled flight duty or for transition flying, they are allowed $3 for lodging, domestic, and $3.90 for Hawaii.

The carrier has been providing lodging for flight engineers at regular lay-over points in better than average hotels. These include the Copley Plaza in Boston, the St. Moritz in New York, the Robert Treat in Newark, the Hay-Adams in Washington, the Conrad Hilton in Chicago and the Hollywood-Roosevelt in Los Angeles. At some terminals, for short lay-over periods, the carrier provides accommodations which include shower rooms and double-deck bunks. The carrier has proposed that where accommodations are not provided at regular lay-over points, that an allowance up to $5 per day for lodging be made upon the presentation of a receipt from the hotel showing actual expenditure.

The Board finds that the difference between the parties on this question of lodging is more in the nature of a complaint about the way the present provision is administered than a desire to fundamentally alter these arrangements. The flight engineers would like to have the company continue to provide accommodations but the association

complains that men with disparate schedules are often assigned one room, that hotels have been changed without consultation with the engineers, and that they sometimes had to wait for rooms to be assigned. We believe that if these complaints have substance they can be satisfactorily settled through the grievance procedure.

We will recommend no change in these provisions with two exceptions. The $3 per day for lodging at domestic points and $3.90 overseas allowed flight engineers away from their home domiciles at company request for temporary scheduled flight duty or for transition training is inadequate. We will recommend that in such cases the company pay up to $5 a day for lodging upon presentation of hotel receipt showing the actual expenditure. Likewise, the allowance for lodging during regular layovers in Hawaii also appears to be inadequate. We will recommend that the same arrangement be made applicable there.

Moving Expenses

The association requested a change in the mileage travel allowance of $0.04 per mile when a flight engineer is transferred from one domicile to another at the company's request and automobile transportation is used. It proposed that this allowance be increased to $0.05 per mile.

The company pointed to the fact that such cases occur infrequently, unlike the case of salesmen or others who constantly use their cars on company business. Hence there is no need to consider insurance or depreciation charges. To meet actual running costs $0.04 per mile, in the company's view, is adequate. Its claim was borne out by an exhibit showing estimated gasoline and oil costs for sample trips based on conservative assumptions as to the gasoline and oil consumption.

The Board finds that the association has not made out a case for changing the present rule and will recommend that its request for a change be withdrawn.

Transcontinental Flights

One of the association's proposals is for an amendment to section 3, paragraph I, which deals with the flight time of engineers on transcontinental nonstop flights. There are none such presently scheduled. The present rule (sec. 3, par. I) anticipates that if the Civil Air Regulations are amended and nonstop flights are inaugurated, and if at that time the Civil Air Regulations permit the scheduling of a flight engineer in excess of 8 hours without a rest period, the company may assign flight engineers despite flight-time limitations in the agreement and the association may require the company to negotiate concerning such operation.

The association's proposal is to eliminate this provision and insert in its place a rule giving flight-time credit, whenever two flight engineers are assigned aboard the same aircraft, to both men for the total time aboard.

The association's proposal is in the nature of an attempt to settle in advance a problem that may arise if and when transcontinental nonstop flights are inaugurated. The Board believes the present rule to be adequate. If such an operation is authorized the company will be able to commence giving the service and the parties will have the chance to negotiate out the resulting problems in the light of known facts. The recommendation will be that the association's proposal be withdrawn.

Flight-Time Credit for Check and Training Flights

Section 3 of the 1951 agreement provides that flight-time credit and flight-time limitations shall apply to flight engineers when assigned to perform flight engineer duties on "scheduled flights, extra sections, charter flights, publicity flights, ferry flights, and such other flights to which they may be assigned to perform flight engineer duties. * * " To this catalog of flights for which flight-time credit and limitations accrue the union would add check flights and training flights.

A check flight is one in which the flight engineer is checked under flying conditions by a company supervisory employee whose job it is to observe the manner in which the flight engineer performs his duties. Check flights are of two varieties—en route checks and special check flights. An en route check takes place when a company observer watches the performance of the flight engineer while the latter is on a scheduled flight. In such cases, of course, the flight engineer is being paid for work he performs. However, from time to time flight engineers are required to take special check or training flights or hood checks. This is usually done on the flight engineer's day off. A similar requirement is made of pilots; they are not paid for the time thus spent.

In the judgment of the Board, compensation for check flights other than en route checks is not desirable. These are in no sense revenue-producing flights, but are undertaken in order to make sure that the carrier and the flight engineer are living up to their responsibility for the safety of the public. The obligation to maintain flying techniques at that standard of efficiency which will provide safe air transportation is, after all, a responsibility of both parties.

The situation with regard to training flights is somewhat different. The training flight is one in which the flight engineer is given some specific type of training aboard an aircraft preparatory to being

checked out on that type of equipment. In order to acquire the necessary skill and familiarity with the equipment, he has to have a certain number of hours of practice on that aircraft. When flight engineers were paid on a flat monthly salary basis they were paid for hours spent on training flights. With the adoption of an increment type pay scale, however, some method of payment to substitute for the flight pay which the flight engineer would earn on regularly scheduled flights is in order. Such a system is in effect for pilots when they engage in training flights. They are placed on a transition pay scale. We think it only fair that the same principle should apply to flight engineers. We will recommend that the parties provide that flight engineers assigned to training flight duties be placed on a transition pay scale for the time thus spent, based upon their past average of base pay plus flight pay over a representative period to be agreed upon by the parties.

The association also proposed the addition of the following sentence to section 3, paragraph D: "A flight engineer shall not fly as a member of the flight crew more than 950 hours during any calendar year." The purpose of this request was not fully explained. At present, flight engineers are limited to 85 hours of flight time as a monthly maximum on domestic operations and to 255 hours per quarter on overseas operations. No evidence was presented to indicate a necessity for a further modification of these limitations and we will therefore recommend that the association withdraw this request.

Probation Period

Section 7, paragraph D, of the 1951 agreement provides in part that flight engineers shall be on probation during their first 6 months of accumulated service as a flight engineer with the company. The company requests that the probation period be extended to 1 year. No substantial reason was advanced to justify such a change. We will therefore recommend that there be no change in the probation period.

Savings Clause

The company requested that a provision be placed in the new agreement that if any part of the agreement is rendered invalid by reason of any act of the legislature or a decree of a court, such invalidation shall not be deemed to negate the entire agreement, and that in the event of a partial invalidation, either party may, upon notice to the other, request renegotiation for modification, amendment, or termination of the agreement.

Savings clauses exist in a number of collective bargaining agreements between this company and other unions. The purpose of such a clause is self-evident. If a provision in the contract is declared void or limited, the balance of the contract continues in existence. But the invalidation of one provision may have an important effect on other provisions of the agreement. In such a case the parties should be able, upon notice, to reopen the agreement for the purpose of modification or amendment.

A provision of this type seems entirely reasonable and we will recommend that one be included in the new agreement.

Termination Date

The association proposed that the new agreement terminate 1 year from the date of signing. The company urged that a long-term agreement be concluded.

In view of the travail attendant upon the negotiation for the forthcoming agreement, and of the need of the parties and the public for some assurance of sustained operations, a contract for a longer period than 1 year would appear to be in order. On the other hand, to close the agreement for too long a time would act to foreclose the parties from initiating revisions that might be justified by changes in the economic scene.

The Board believes that an agreement which is closed for 2 years from the date of signing on wages but which may be reopened in 1 year for a revision of rules will deal fairly with all parties. It will recommend accordingly.

Recommendations

In addition to the findings included in the body of this report, the Emergency Board recommends the following:

1. *Pay and retroactivity:*

(*a*) *Base pay:*

	Domestic	*Overseas*
First 6 months	$465.00	$525.00
Second 6 months	490.00	550.00
Third 6 months	520.00	580.00
Fourth 6 months	545.00	605.00
Third year	216.66	216.66
Fourth year	233.33	233.33
Fifth year	250.00	250.00
Sixth year	266.66	266.66

(*b*) *Hourly pay (commencing with the third year)*:

Aircraft with pegged speed of	*Hourly rate for each hour flown (based on half day, half night) (per hour)*
250 but less than 275 miles per hour	$3.77
275 but less than 300 miles per hour	3.90
300 but less than 325 miles per hour	4.03

Overseas pay $1 per hour for each hour flown commencing with the third year.

(*c*) *Mileage pay (commencing with the third year)*: $0.005 per mile.

(*d*) *Gross weight pay (commencing with the third year)*: $0.005 per thousand-pound hour.

(*e*) *Guarantee:* Base pay plus 60 hours for all flight engineers including reserves.

(*f*) Pegged speeds and gross weights of aircraft to be used in the above computations shall be the same as used in the computation of pay for pilots.

(*g*) *Retroactivity:* The Board recommends that these rates be made retroactive to May 1, 1952.

(*h*) The Board recommends that the parties include a clause in the compensation section of their forthcoming agreement to the effect that the pay formula agreed upon is deemed appropriate for the DC–6, D–6B, Boeing–377, and DC–7 aircraft currently in operation or which may be placed in operation, but that its inclusion in their agreement constitutes no recognition by either as to its continuing validity in the event other types of aircraft are placed into service.

2. *Qualifications.*—The Board recommends that the following language be added to section 10, paragraph B, of the 1951 agreement:

(1) In the event such additional technical qualification shall be a pilot qualification, the company shall first determine which flight engineers not so qualified meet the basic hiring requirements of the company for pilots and shall then give the flight engineers who meet such requirements the physical examination required by law and company regulations and such other tests as are regularly given pilots by the company.

(2) Those flight engineers who successfully complete the requirements of subparagraph 1 of this paragraph shall then be given a reasonable length of time to acquire such qualifications under either of the following methods:

(*a*) The company may make available at no expense to the flight engineers written material and flight equipment to train them during off-duty hours; or

(*b*) The company at no cost to the flight engineers may arrange

training for flight engineers during their off-duty hours at flying schools selected by the company.

(3) Flight engineers who fail the physical examinations and tests provided for in subparagraph 1 of this paragraph, and flight engineers who elect not to take the training under subparagraph 2 of this paragraph shall be entitled to severance pay as provided in section 5, paragraph D, 1, (a) and (b), of this agreement.

(4) In the event such additional technical qualifications shall be A and E airmen certificates, or either of such certificates, the company shall first determine for those flight engineers not so qualified if they meet company requirements specified by company regulations.

(5) Those flight engineers who successfully complete the requirements of subparagraph 4 of this paragraph shall then be given a reasonable length of time to acquire such qualifications under either of the following methods:

(*a*) The company may make available at no expense to the flight engineers written material and equipment, if necessary, to study or train during their off-duty hours for the purpose of acquiring such certificates; or

(*b*) The company at no cost to the flight engineers may arrange training for flight engineers during their off-duty hours at schools selected by the company.

(6) Flight engineers who fail to meet the requirements of subparagraph 4 of this paragraph and flight engineers who elect not to take the training under subparagraph 5 of this paragraph shall be entitled to severance pay as provided in section 5, paragraph D, 1, (a) and (b), of this agreement.

3. *System board of adjustment.*—The Board recommends that the parties make provision for a system board of adjustment with a neutral chairman, the jurisdiction of which shall extend to all disciplinary matters and to grievances over rates of pay, rules, or working conditions arising out of the application or interpretation of the argeement. The board shall be without power to alter or amend the agreement. It shall have the power to determine whether any matter submitted to it is within its jurisdiction.

4. *No-strike, no-lockouts clause.*—The Board recommends that if the parties set up a system board of adjustment with a neutral chairman, they include in their agreement a provision which will ban strikes or lockouts over any disputes within the jurisdiction of the system board of adjustment.

5. *Overseas bidding.*—The Board recommends that the parties include in their forthcoming agreement a provision to require the company to designate as permanent those positions posted for bid

which are expected to last for a year or more, and as temporary those positions of more than 60 days' duration but which are expected to last for less than a year. In the event that a position posted as temporary lasts for a year or more, the position shall be reopened for bid.

6. *Expenses for meals and lodging.*—The Board recommends that the association withdraw its request for an increase in meal allowances. The Board recommends that the association withdraw its request for changes in the provisions dealing with lodging arrangements with the following exceptions:

(*a*) Flight engineers away from their home domicile at the company's request for temporary scheduled flight duty or for transition training, shall be allowed up to $5 per day for lodging upon presentation of a hotel receipt showing the actual expenditure.

(*b*) Flight engineers who lay over in Hawaii shall be allowed up to $5 per day for lodging upon presentation of a hotel receipt showing the actual expenditure.

7. *Moving expenses.*—The Board recommends that the association's request for a change in the mileage travel allowance for the use by the flight engineer of his automobile when he is transferred from one domicile to another at the company's request, be withdrawn.

8. *Transcontinental flights.*—The Board recommends that the association's proposal for a change in the provisions of section 3, paragraph I of the 1951 agreement be withdrawn.

9. *Flight time credit for check and training flights.*—The Board recommends that the association's request that section 3, paragraph E of the 1951 agreement be amended to make flight time credit and limitations applicable to check flights be withdrawn.

The Board recommends that if the parties adopt an increment type of pay scale, their agreement be amended to provide that flight engineers assigned to training-flight duties be placed on a transition pay scale for the time thus spent.

The Board recommends that the association's proposal to amend section 3, paragraph D to provide for a limitation of 950 hours of flying per year for flight engineers, be withdrawn.

10. *Probation period.*—The Board recommends that the company's proposal to amend section 7, paragraph D of the 1951 agreement to extend the probation period to 1 year, be withdrawn.

11. *Savings clause.*—The Board recommends that the parties include such a clause in their forthcoming agreement.

12. *Termination date.*—The Board recommends that the forthcoming agreement be effective for a period of 2 years from date of signing, but that either party shall have the right to re-open it for changes in the rules provisions 1 year from date of signing.

The Board certifies that in its opinion an agreement based upon the above recommendations will comply with the requirements of section 502 of the Defense Production Act of 1950 as amended.

Respectfully submitted.

SAUL WALLEN, *Chairman.*
ROBERT O. BOYD, *Member.*
HAROLD R. KOREY, *Member.*

JANUARY 2, 1953.

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