

107

Report  
TO  
THE PRESIDENT  
BY THE  
EMERGENCY BOARD

APPOINTED BY EXECUTIVE ORDER 10570,  
DATED OCTOBER 16, 1954, PURSUANT TO  
SECTION 10 OF THE RAILWAY LABOR ACT,  
AS AMENDED

---

To investigate the facts as to a certain dispute between  
The Pullman Company, a common carrier, and certain of  
its employees represented by the Order of Railway Con-  
ductors and Brakemen

*NMB Case A-4599*

CHICAGO, ILLINOIS  
NOVEMBER 20, 1954

---

(No. 107)

CHICAGO, ILLINOIS, *November 20, 1954.*

The PRESIDENT

*The White House*

*Washington, D. C.*

MR. PRESIDENT: The Emergency Board appointed by you on October 16, 1954, by Executive Order No. 10570, pursuant to Section 10 of the Railway Labor Act, as amended, to investigate certain disputes between The Pullman Company and certain of its employees represented by the Order of Railway Conductors and Brakemen, herewith submits its report and recommendations.

Respectfully submitted.

EDWARD F. CARTER, *Chairman.*

EDWARD B. BUNN, *Member.*

HOWARD A. JOHNSON, *Member.*

REPORT OF EMERGENCY BOARD, CREATED BY EXECUTIVE ORDER NO. 10570 UNDER DATE OF OCTOBER 16, 1954, PURSUANT TO SECTION 10 OF THE RAILWAY LABOR ACT, AS AMENDED, TO INVESTIGATE AN UNADJUSTED DISPUTE BETWEEN THE PULLMAN COMPANY AND CERTAIN OF ITS EMPLOYEES REPRESENTED BY THE ORDER OF RAILWAY CONDUCTORS AND BRAKEMEN.

INTRODUCTION

The President appointed Emergency Board No. 107 by Executive Order No. 10570, dated October 16, 1954, pursuant to section 10 of the Railway Labor Act, as amended, to investigate and report on a certain unadjusted dispute between The Pullman Company and certain of its employees represented by the Order of Railway Conductors and Brakemen.

The President appointed as members of the Board, Edward F. Carter, Chairman, of Lincoln, Nebr.; Edward B. Bunn, of Washington, D. C.; and Howard A. Johnson, of Butte, Mont.; and directed the Board to organize and to investigate the facts promptly, attempt to adjust the dispute, and to report within 30 days. By stipulation of the parties, the time for making the report was extended to November 26, 1954.

The Board, as above constituted, met in Room 600, United States Court House, 219 South Clark Street, Chicago, Ill., on Monday, November 8, 1954, confirmed the appointment of Johnston and King, Washington, D. C., as its official reporters, and proceeded to hear the evidence and arguments relating to the issues involved in the dispute.

For convenience we shall refer to the Order of Railway Conductors and Brakemen as the Brotherhood, and to The Pullman Company as the Company.

Appearances were made for the Brotherhood by V. Craven Shuttleworth, Attorney, 1120 Merchants National Bank Building, Cedar Rapids, Iowa; J. A. Paddock, Senior Vice President; J. K. Hinks, Vice President; A. G. Wise, Vice President and General Chairman of the General Committee of Adjustment; J. R. Deckard, Vice President of the General Committee of Adjustment; H. C. Kohler, Secretary to the General Committee of Adjustment; J. A. Bryant, Assistant General Chairman; A. W. Hyatt, Assistant General Chairman, all of the

Brotherhood; and Eli J. Oliver of the Labor Bureau of the Middle West, Washington, D. C.

The Company appeared by Howard P. Robinson and James Bliss, Attorneys, of the firm of Sidley, Austin, Burgess, and Smith, 11 South La Salle Street, Chicago, Ill.; Carroll R. Harding, President; Fred J. Boeckelman, Manager of Employee Relations; Marshall R. Wendt and Joseph P. Novotny, Jr., all of the Company.

Public hearings began on November 8, 1954, and continued from day to day until November 16, 1954, on which date the record consisting of 808 pages and 19 exhibits was closed and the dispute finally submitted.

### The Dispute

The present dispute between the Company and the Brotherhood concerns requests contained in two notices served upon the Company on June 24, 1954 by the Brotherhood pursuant to section 6 of the Railway Labor Act, as amended. One notice requested that Rule 1 (a) be changed to read as follows:

Rule 1 (a) Rates of Pay. The following rates of pay shall be applicable to all Conductors employed by the Pullman Company:

<i>Service periods</i>	<i>Rates per month</i>
First year.....	\$406. 00
Over 1 to 2 years.....	416. 00
Over 2 to 5 years.....	423. 50
Over 5 to 10 years.....	431. 00
Over 10 to 15 years.....	434. 00
Over 15 years.....	439. 00

It is proposed that the Agreement dated July 24, 1952, and the joint letter dated October 6, 1953, relative to the Cost-of-Living Adjustment, be cancelled.

The second notice proposed changes in the Vacation Rule. The request in respect thereto was that 3 weeks paid vacation be granted after 10 years of service rather than after 15 years of service as provided by the wage increase pattern established by agreements entered into on and after December 16, 1953.

The wage dispute involves the amount of increase to be granted over the basic monthly rate of pay effective June 24, 1954. The Company asserts that under what it terms the pattern settlement, an increase of \$36.90 per month is the amount to which Pullman conductors are entitled. This amount is arrived at by incorporating the 13 cents per hour escalation increase into the basic monthly rate of pay of 205 hours, amounting to \$26.65, and an hourly increase of 5 cents per hour amounting to \$10.25. The Brotherhood asserts that it is entitled to a basic monthly wage rate increase of \$48.15. This item includes the escalation increase, the 5 cents pattern increase generally granted as of

December 16, 1953, and the recapture of claimed losses in wages due to their calculation on a basis of 210 hours per month instead of 240 hours per month. The Brotherhood treats these losses as wage inequities although they were applied in accordance with the terms of the current schedule agreement. It is claimed that the historical difference in basic monthly rates of pay between passenger train conductors and Pullman conductors has widened by \$21.50, and that this additional disparity ought to be eliminated by a flat monthly increase in wages in that amount.

### History of Present Dispute

On October 1, 1953, certain moratorium agreements with the organizations representing the operating employes in the railroad industry expired. On that date the operating organizations served notices under section 6 of the Railway Labor Act, requesting increases in wage rates and revisions of certain schedule rules. The nonoperating organizations did not serve notices requesting wage increases, but on May 22, 1953, they, with the exception of the Pullman Conductors, did serve notices demanding paid holidays, longer vacations, and certain fringe benefits. An agreement was finally reached on August 21, 1953, wherein certain benefits were granted including 3-week vacations for employes with 15 years of service and the equivalent of 5 cents per hour, approximately, in fringe benefits. Meanwhile, a series of agreements had been made with the operating organizations which established what the Company calls a pattern of wage and vacation adjustments, although the Brotherhood does not concede that a definite pattern has been thus established.

The first of these agreements was made with the Brotherhood of Railroad Trainmen on December 16, 1953. It provided on behalf of the trainmen and dining car stewards for the cancellation of the provision in the prior agreement for cost-of-living increases and the incorporation into the basic rates of the cost-of-living increases which had accrued, amounting to 13 cents per hour. In addition, 5 cents per hour was added to the basic rates and also the same vacation benefits later won by the nonoperating organizations were included. In January, February, and April 1954, similar agreements were made with the firemen, conductors and switchmen. The engineers refused the settlement and their dispute was submitted to an Arbitration Board under the provisions of the Railway Labor Act. Finally on August 21, 1954, the dining car cooks and waiters, and on September 15, 1954, the Pullman porters, attendants, maids, and bus boys, agreed to the 5-cent pattern wage increase all effective December 16, 1953. The Company asserts its willingness to agree to the basic pattern settlement

if it is made effective 30 days after the service of notice on June 24, 1954.

The issues are further complicated by the fact that the Brotherhood elected to prosecute its demand for a reduction of the basic month of 210 hours to 174 hours before requesting any wage increase. This request was settled by an arbitration award dated June 1, 1954, and the basic month was reduced to 205 hours on June 10, 1954. No wage increase or vacation rule changes were involved. On June 24, 1954, notices were served on the Company requesting wage increases and changes in vacation rules which are the basis of the present dispute.

### The Issues

No dispute exists in regard to the inclusion of the cost-of-living increase of 13 cents per hour into the basic monthly wage. There is no dispute on the amount of the wage increase of 5 cents per hour but disagreement exists as to the manner of its application and the date on which it should become effective. The claim for a wage increase based on alleged inequities arising out of the growing spread between the basic monthly rates of train conductors and Pullman conductors is in direct conflict. The request for 3 weeks vacation after 10 years service is emphatically opposed by the Company.

### The Vacation Issue

The Brotherhood requests a change in the vacation rule granting a 3 weeks paid vacation after 10 years of service. The agreements which are asserted to have established the wage increase pattern have granted 3 weeks paid vacations after 15 years of service. An examination of the record reveals no valid reason for sustaining this request and thereby granting Pullman conductors vacation benefits enjoyed by no other craft in the railroad industry. We recommend that the request of the Brotherhood be denied and that a settlement of the vacation issue be made on the pattern basis of 3 weeks vacation after 15 years of service, effective January 1, 1954.

### The Claim for Additional Wage Increase Based on Alleged Inequities and Widening Differentials

The Brotherhood has made its demand for an increase in basic pay of \$21.50, on the ground the spread of difference in basic pay between the Pullman conductor and that of the passenger conductor has widened inequitably since 1950. The Brotherhood contends that approximately \$56 has been the traditional differential between the monthly basic wages of the Pullman and passenger conductors over a

period of 23 years. It was stated in the testimony of the Brotherhood, Volume I, page 85, that "the duties of the Pullman conductors are almost identical with the large part of the duties of the passenger train conductor."

The Board believes that "while in some respects the duties of the Pullman conductors are not unlike those performed by the railroad passenger conductors"<sup>1</sup> nevertheless the range of duties and responsibilities of the passenger conductor, the knowledge and training required of him before he qualifies, places him in a substantially different category of occupation from that of the Pullman conductor in the railroad system.

The Pullman conductor's primary responsibility is the supervision of the porters in providing suitable accommodations and service to the passengers in the Pullman cars from terminal to terminal. In this, his work is comparable to that of the steward in the latter's supervision of the cooks and waiters.

Thus, the type of service rendered by the Pullman conductor calls for working hours and conditions similar to those of the steward, porters, cooks and waiters and quite different from those of the passenger conductors.

This fact has been recognized over the years in the different basis for determining the wages of the nonoperating service employes from that of calculating the wages of the operating train employes.

The Board feels, therefore, that the spread in the difference in basic pay between the two types of employes does not in itself constitute an inequity. It rather emphasizes the difference in the category of the occupation and the consequent different standards used in establishing their respective basic wage.

### The Pattern Wage Issue

Upon the agreement dates and also upon the effective date 205 hours constituted the basic work month of the Pullman porters and the dining car stewards, cooks, and waiters. The Pullman conductors' basic month was then 210 hours, but they had proposed its reduction to 174 hours without changing their monthly rates of pay and with punitive pay for all overtime. The Company offered to reduce the basic monthly hours of work to 205 hours, but without eliminating the 10-hour spread between basic hours and punitive rate. The Brotherhood refused the offer, spread a strike ballot and invoked mediation by the National Mediation Board. During those negotiations the Company offered as a complete settlement the pattern proposal including 5 cents per hour, on the Pullman conductors' basic

---

<sup>1</sup> Report of Emergency Board (Stacy Board) on September 25, 1943, P. 79.

210-hour month, or \$10.50 per month. The offer was rejected and the Brotherhood's proposal submitted to arbitration, resulting in an award on June 1, 1954, and a judgment on June 23, 1954, granting a reduction in the basic work month from 210 to 205 hours, the same basic work month already applicable to the comparable dining car stewards, cooks and waiters and the Pullman porters. As required by rule 1 (d) the 13 cents escalation rate has since been applied to their new 205 basic hours, as it had already been with reference to the Pullman porters and dining car employees as of December 16, 1953. Thus they are on the same basis as the latter except that they have not accepted the 5 cents per hour pattern settlement and thus have received no pay increase.

As stated above, their rejection of the pattern settlement was based upon the contention that the spread between their basic monthly wage and the railway conductors' guaranteed monthly earnings constituted an inequity calling for a pay increase in excess of the pattern. However, for the reasons hereinbefore stated, this Board concludes that the Brotherhood has not established the inequity claimed and that an increase in excess of the pattern would in itself constitute an inequity as against comparable nonoperating Pullman and railroad employees.

The Brotherhood proposed no wage increase prior to December 16, 1953, and refused to discuss wage rates until after the hours of service question had been settled, which was done in June 1954, by adopting the 205-hour basic month already effective as to stewards, cooks, waiters, porters and others of comparable hours and service conditions.

This Board concludes, therefore, that the 5 cents per hour general pattern increase should now be accepted by both Brotherhood and Company, applied in accordance with rule 1 (d), current schedule agreement, to the present basic 205 hours per month. Thus the pattern will apply equally to the Pullman conductors and other railroad and Pullman employees found comparable. However, it seems axiomatic that a pattern settlement includes both the wage increase and a uniform effective date. This Board, therefore, recommends that the wage increase be made effective as of December 16, 1953, in accordance with the established pattern.

#### Conclusion

It is the opinion of your Board that the dispute submitted to us which has become emergent because of a threatened interruption of transportation in interstate commerce, ought to be adjusted and settled on the following basis:

1. That the request for a 3 weeks paid vacation after 10 years service be denied and that 3 weeks vacation be allowed after 15 years service.

2. That the cost-of-living increase of 13 cents per hour on the Pullman conductor's basic month of 205 hours, amounting to \$26.65, be added to his basic monthly rate of pay.

3. That the pattern wage increase of 5 cents per hour on the Pullman conductor's basic month of 205 hours, amounting to \$10.25, be added to his basic monthly rate of pay.

4. That the effective date of the increases in the basic monthly rate of pay be December 16, 1953, the effective date of increases made pursuant to the current pattern of labor agreements made in the railroad industry.

5. That the basic monthly rate of pay applicable to Pullman conductors during their first year of service be fixed at \$394.75, effective December 16, 1953, pursuant to paragraphs numbered 2, 3, and 4, and that the pay differentials contained in rule 1 (a), current schedule agreement, as amended, based on the service periods therein described, be maintained.

6. That the requests of the Brotherhood for wage increases based on claimed inequities and alleged differentials or disparities with employes of other crafts be denied.

Respectfully submitted.

EDWARD F. CARTER, *Chairman.*

EDWARD B. BUNN, *Member.*

HOWARD A. JOHNSON, *Member.*

Dated: Chicago, Ill., November 20, 1954.

