

# Railroaders furious after Biden's Presidential Emergency Board issues recommendations on national contract, siding with rail corporations on all major points

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*Railroad workers: The WSWs wants to hear from you! Fill out the form at the bottom of this article to tell us what you think about the PEB's recommendations and what you think workers' nonnegotiable demands should be. All submissions will be kept anonymous.*

*Read the statement by UAW presidential candidate William Lehman calling for full support for the rail workers.*

The Presidential Emergency Board (PEB) appointed by the Biden administration issued its recommendations Tuesday for a settlement in the railroad industry, where more than 100,000 workers have been without a national contract for nearly three years. The report sided with the railroads on virtually every point, recommending wage increases below inflation and no change to the punishing attendance policies which have driven tens of thousands of workers out of the industry.

The PEB was appointed last month shortly after railroaders in the Brotherhood of Locomotive Engineers and Trainmen (BLET) voted by 99.5 percent to authorize strike action, showing that workers were determined to fight against conditions which have reached the breaking point. Many rail workers are on call 24/7, leaving them unable to spend time with their families or even schedule doctor's appointments, and have not had a wage increase since before the pandemic. More recently, train dispatchers at the Class I railroads also voted by 99 percent to authorize a strike.

The intervention by Biden, under powers created by the anti-worker Railway Labor Act (RLA) of 1926, blocked strike action from the second it could have legally taken place. A PEB had been widely campaigned for by union bureaucrats, who falsely presented the White House as a neutral arbiter. The railroads and the unions now have 30 days to work out an agreement which would then be voted on by workers. If they cannot reach an agreement, or if workers vote down the contract, then yet another 30-day "cooling-off" period will take effect. Congress will likely seek to intervene at that point to block strike action.

The PEB's report quickly prompted furious responses from railroaders on social media and in comments to the *World Socialist Web Site*. "We are all disgusted with what is being offered," one BNSF worker from Missouri told the WSWs. "Every bit of it is a lie, including the claim by the carriers that we only put in 34 hours a week. They want to give us less in the Class I railroads than what was offered and agreed upon to Class II railroads."

"Everyone wants to strike right now! We don't care what the union says, and we are pissed at them for always telling us that the Democrats have our backs."

"This is not acceptable," another BNSF railroader said, "with all the many other things that weren't addressed, along with the health care increase. I'm not for it."

The PEB's report also came amid the announcement by the Teamsters of a sellout deal for 3,000 railroaders in Canada at Canadian Pacific (CP), containing a paltry 7 percent wage increase over two years. "Seven percent in two years is dogs\*\*\*," one CP worker told the WSWs. "With the way prices have gone up in Canada and all the wage increases all the other unions in this country have been getting, I was thinking more like 20 percent."

The PEB report proposes a 22 percent cumulative pay increase over five years, retroactive to 2020. This would include a 7 percent wage increase in 2022, followed by 4 percent in 2023 and 4.5 in 2024. Workers would also get a desultory \$1,000 "service recognition" bonus each year of the contract. The proposal, which works out to an average 4.4 percent wage increase per year, is little more than half the current rate of inflation of 8.5 percent, entailing a major cut in real pay.

The PEB's proposal splits the difference between the provocative 16 percent proposal from management and the 28 percent proposed by the unions, which would still have been below inflation. In one significant passage, the PEB report cited arguments by the companies that their wage proposals were justified by the fact that contracts agreed to by unions in other industries have contained comparable wage increases. Over the past year, the unions have pushed through such substandard contracts that wage increases for unionized employees have actually been lower than for nonunion employees.

Commenting on this dynamic, the PEB acknowledged, "While it is clear that the current inflationary environment has resulted in richer settlements than in the recent past, it is also clear that those increases fall short of what would be needed to provide real wage growth based upon the current high rates of inflation."

But the most incendiary point in the PEB's report came when it summarily dismissed union arguments against the unilateral changing of attendance policies by management, who have imposed punishing schemes such as Precision Scheduled Railroading (PSR) and Hi-Viz without even the fig leaf of negotiations. These brutal schedules have

been a primary factor in the wave of resignations in the industry. Roughly 20 percent of the workforce has left since 2019, the year before the pandemic and when PSR was first implemented at the railroad CSX.

Earlier this year, a federal judge issued an injunction against potential strike action at BNSF over the new Hi-Viz attendance policy. In the antidemocratic ruling, which also left Hi-Viz in place, the judge cited the potential impact of a strike on supply chains as a primary reason to ban it.

The PEB rejected even the timid proposal from the union that such policies be implemented through contract talks: “While we understand the views expressed by the [unions] regarding the Carriers’ attendance policies and their implementation, we remain unpersuaded that the appropriate response is the one contained in the BLET and SMART-TD proposal. That proposal would eliminate the ability of the Carriers to enforce legitimate attendance-related expectations through the promulgation of reasonable attendance policies and the imposition of disciplinary actions.”

In other words, the PEB will not tolerate even minimal, formal limits to the dictatorial control by management over workers’ lives.

On attendance policies, the report continued: “Any challenges to the reasonableness or contractual or legal propriety of any provisions of the attendance policies on their face, or as implemented in individual disciplinary actions, must be pursued through the grievance and arbitration processes.” But the PEB proceeded to assert that the “Carriers’ rights to unilaterally establish and modify reasonable attendance policies has been recognized for years.”

Adding insult to injury, the PEB “generously” proposed to add only a single additional personal day per year for workers.

The report’s summary of the impact of the attendance policies which it proposes to leave in place makes clear their intended purpose has been to shed costs through mass resignations:

PSR resulted in a number of changes in the design of the freight rail system. Traffic was commingled and specialty trains were reduced in number. Trains also increased in length from about 7,000 feet on average to 9,500 feet on average. The Carriers operated 25%-30% fewer trains, resulting in fewer switches in the yards and a decreased need for Mechanics... Freight rail employment declined overall by about 30% from 2016 to date. The resulting changes included changes in shipper rates and charges for demurrage, reduced aggregate labor costs, lower operating ratios and higher profits.

It concluded, “By December 2021, the Carriers were moving more than 97% of their pre-pandemic freight tonnage with only 81% of the pre-pandemic workforce.”

The PEB ruling exposes the entire corporatist framework of the RLA, and once again demonstrates that the state is an instrument of the ruling class. The purpose of the RLA from its enactment roughly a century ago was to virtually ban strikes in the railroad industry by imposing endless rounds of mandatory negotiation and arbitration. For decades, it has been used by the financial aristocracy to suppress opposition from railroaders as working conditions and costs have been cut to the bone.

The trade union bureaucracies, which have been assiduously promoted by the Biden administration, are integrated into this

framework and bear a major responsibility for this ruling. The rail unions had pushed for Biden to appoint this PEB for months, effectively demanding that he legalize a strike by their own members. They presented the White House as a neutral arbiter and argued along nationalist lines that the “good of the country,” particularly as American imperialism gears up for war against Russia and China, would compel the government to intervene on behalf of workers to resolve the manpower shortages. As recently as last week, SMART-TD President Jeremy Ferguson reported “very positive meetings” with the PEB.

Any objective accounting would have shown these claims to have been false from the beginning. PEBs have almost invariably sided with the railroads, and the intended outcome of this board was shown by its choice of chair, Ira Jaffe, who also headed the PEB in 2011.

As of this writing, the unions have not yet issued a formal response to the findings, as they likely seek some means to try to placate workers’ anger. But assuming their eventual statement criticizes the PEB’s decisions, it would be entirely in bad faith. The union executives never had any illusions themselves that the PEB would rule in workers’ favor, but were determined to promote such illusions in the PEB and the Democrats among railroaders in order to contain and smother opposition.

These illusions are now being shattered. “My initial response is, who the hell is representing us?” one Iowa railroader said. “We need people that actually know what the f\*\*\* is happening out here in the real world. This contract will be voted down. The Democratic Party just lost most of their support from rail workers... I’m pretty sure this is gonna lead to another wave of mass resignations. Apparently our union representatives have ABSOLUTELY NO IDEA of our working conditions.”

Railroaders are in a fight not just against the railroads and their shareholders, but against the corrupt union bureaucracy and their supporters in the corporate-controlled government, as well as the capitalist profit system itself. Their fight is against this entire set-up, including the RLA and all other anti-worker laws and corporatist policies aimed at enforcing labor discipline on the working class.

Railroaders are not powerless. The RLA itself is in place because the powers-that-be are terrified of the militant traditions of the rail workers, who shut down the US in a series of powerful strikes beginning in 1877. These traditions must be revived, through the development of a network of rank-and-file committees as independent sources of workers’ power, capable of challenging the Biden administration, the railroads and the union bureaucracy.



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