

Presented to NCCC 5/19/05

May 19, 2005

## RLBC'S FORCE STABILIZATION AND GROWTH PROPOSAL

Halt attrition and stabilize employment within each craft or class represented by the Coalition's members so that, within each seniority district, positions that become vacant due to death, retirement, resignation or transfer are filled on an ongoing basis rather than abolished.

- Consistent with the need to stabilize employment within crafts, each carrier shall guarantee that the total number of hours worked\* in calendar year 2005 by employees covered by the agreement will not be less than the total number of hours worked by covered employees in 2004
- For each successive year, beginning January 1, 2006 and lasting until this provision is changed in accordance with the Railway Labor Act, the total number of hours worked\* by covered employees in each craft or class shall not be less than the total number of hours worked by them in the previous year

*\* Labor inputs to be measured differently for Engineers*

In accordance with applicable collective bargaining agreements, increase forces within each craft or class represented by the Coalition's members on an annual basis to correspond with the growth of each carrier's business according to the following formula:

- Commencing April 1 of each calendar year, for all crafts or classes, each carrier shall begin to add employees sufficient in number to correspond with the growth in demand for its rail services (expressed in revenue ton miles), discounted by one-half to assure reasonable productivity enhancements
- The growth factor shall be determined by multiplying the stabilized work force as of December 31 of the preceding year by the percentage revenue ton miles increased during that year over the previous year and then halving the resulting figure
- The employment/training of employees to correspond with the growth factor shall be completed by December 31 of each calendar year
- Employees added to the craft or class due to the increase in demand may be distributed across the system as needed

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ARTICLE ----, 401(k)

Effective September 1, 2005, a 401(k) program established by the Carrier will be made available for participation by eligible employees covered by this agreement. The Carrier will match \$.50 of each \$1.00 a covered employee contributes to his 401(k) account, up to 6% of his compensation. No more than 25% of the match shall be in stock.

Matching contributions shall be made on or before the twentieth business day of the month immediately following each calendar quarter and shall be based on elective deferral contributions (including special deferrals), catch-up contributions and/or after-tax contributions made by eligible employees during the immediately preceding calendar quarter. Employees shall immediately vest in matching contributions made to their accounts.

*Special Deferrals:* One time annually, eligible employees may elect voluntarily to contribute the monetary equivalent of up to five (5) personal leave days to their 401(k) accounts. Additionally, any personal leave days requested and not granted may be voluntarily contributed to the eligible employee's account. The Carrier will provide a form to be used to make the elections. The form must be returned by December 15 to enable deposit to the eligible employee's account on January 1 of the following year.