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Wage Chronology: Railroads — Nonoperating Employees, 1920-77

U.S. Department of Labor
Bureau of Labor Statistics
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U.S. Department of Labor
Ray Marshall, Secretary
Bureau of Labor Statistics
Janet L. Norwood, Commissioner
May 1980

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Preface

This bulletin is one of a series prepared by the Bureau of Labor Statistics that traces changes in wage scales and related benefits negotiated by individual employers or combinations of employers with a union or group of unions. Benefits unilaterally introduced by an employer generally are included. The information is largely obtained from collective bargaining agreements and other documents voluntarily filed with the Bureau. Descriptions of the course of collective bargaining are derived from the news media and confirmed and supplemented by the parties to the agreement. Wage chronologies deal only with selected features of collective bargaining or wage determination. They are intended primarily as a tool for research, analysis, and wage administration. References to job security, grievance procedures, methods of piece-rate adjustment, and similar matters are omitted. For a detailed explanation of the purpose and scope of the chronology program, see "Wage Chronologies and Salary Trend Reports," *BLS Handbook of Methods*, Bulletin 1910 (Bureau of Labor Statistics, 1976), chapter 22.

This chronology summarizes changes in wages and supplementary compensation practices since May 1920 negotiated by the railroads with unions representing nonoperating employees. This bulletin replaces *Wage*

Chronology: Railroads—Nonoperating Employees, 1920-62, published as BLS Report 208. Materials previously published have been supplemented by a new introduction, contract changes negotiated for the 1964-77 period, and text and tables chronicling changes (from their establishment) in the railroad unemployment insurance and retirement systems. Earlier material generally is included as originally published.

The Bureau has introduced new job titles to eliminate those that denote sex stereotypes. For purposes of this bulletin, however, old titles have been retained where they refer specifically to contractual definitions. Titles used in the generic sense and not to describe a contract term have been changed to eliminate the sex stereotype.

The introduction, analysis of contract changes for the 1964-77 period, and material chronicling changes in railroad unemployment insurance and retirement systems were prepared in the Division of Trends in Employee Compensation by John J. Lacombe II.

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Introduction

Scope of chronology

This wage chronology summarizes changes in wages and supplementary compensation practices which are the result of national agreements negotiated for the major railroad and switching and terminal companies (as well as a number of smaller companies) through the National Railway Labor Conference (NRLC)¹ with the major nonoperating employee organizations (representing over 260,000 railroad workers in 1978) that traditionally have coordinated their bargaining efforts.² The NRLC members constitute the bulk of the industry, accounting for about 95 percent of the Nation's track mileage. Virtually all of the agreements between other rail companies and the nonoperating organizations follow the pattern set by these national agreements. The chronology also summarizes changes affecting the parties as a result of government orders and directives, arbitration awards, and Federal legislation which are nationwide in scope.

The number of covered nonoperating organizations joining together in coordinated bargaining has varied at times, and in some years the agreements reached by the unions that have negotiated independently have differed from those reached by the major group. This is

¹The NRLC is the bargaining agent for management in national negotiations on the basis of a grant of power of attorney from the individual carriers (the number granting this power varies from one bargaining round to another). The NRLC had almost 180 member companies in 1978, of which only 15 employed about 85 percent of all workers in the industry. Although there were approximately 250 nonmember companies, they accounted for only a small portion of the industry's workers.

In earlier years, most of the member companies were classified as Class I railroad companies by the Interstate Commerce Commission (ICC). Because of changes in the ICC's definition of Class I companies, the proportion of operators falling within that classification has declined relative to Class II and Class III roads. Class I companies, as defined by the ICC, are those having, over a 3-year period, a gross average annual operating revenue of \$50 million or more (\$1 million before 1956, \$3 million before 1965, \$5 million before 1976, and \$10 million before 1978). In 1978 there were 42 Class I line-haul railroads and only 1 Class I switching and terminal company.

²The covered nonoperating organizations having a major proportion of their members in the railroad industry and the dates they were organized are the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees (BRASC), 1898; Order of Railway Telegraphers (ORT), 1886, later renamed the Transportation Communication Employees Union (TCE), which merged with and became the Transportation-Communications Division of the BRASC in 1969; Brotherhood of Maintenance of Way

also true for independent actions by carriers. No attempt has been made to report deviations from the pattern, unless it affects a significant group of unions such as an alignment of shopcraft organizations or nonshop organizations.

The chronology covers most of the period since 1920, when the railroads were returned to private ownership after World War I. Agreements prior to this period, although negotiated with a group of employers, were geographically limited and confined primarily to the operating brotherhoods. From 1923 to 1932, the nonoperating employee organizations conducted negotiations with individual railroads which did not result in uniform changes in existing agreements, and therefore such changes are not reported here. Wage changes are reported for 1920 to 1922 and from 1932 to the present, while changes in supplementary compensation practices are confined to those contained in the 1932 and subsequent national agreements. Although legislated by Congress, the initial provisions of the railroad retirement and unemployment systems and their subsequent modifications also are summarized. Labor and management usually participate in the formulation of such legislation.

Employees (BMWE), 1887; Brotherhood of Railway Carmen of America (BRC), 1888; and Brotherhood of Railroad Signalmen of America (BRS), 1901. Covered nonoperating organizations with significant representation in the railroad industry, but with their members primarily in other industries are the International Association of Machinists and Aerospace Workers (IAM), 1888; International Brotherhood of Electrical Workers (IBEW), 1891; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers (BBF)—Boilermakers, 1880, Blacksmiths, 1889; Sheet Metal Workers' International Association (SMWIA), 1888; International Brotherhood of Firemen and Oilers (IBFO), 1889; and Hotel and Restaurant Employees and Bartenders International Union (HREU), 1890.

Present-day organizations representing workers in the railroad industry not covered by the chronology are the Brotherhood of Locomotive Engineers; American Train Dispatchers Association; Railroad Yardmasters of America (which includes the Railroad Yardmasters of North America merged into it in 1969); Brotherhood of Sleeping Car Porters; the American Railway and Airway Supervisors Association; United Transportation Union (formed in 1969 through the merger of the Order of Railway Conductors and Brake-men, Brotherhood of Locomotive Firemen and Engineers, Brotherhood of Railroad Trainmen, and Switchmen's Union of North America); Transport Workers Union of America; National Marine Engineers' Beneficial Association; International Organization of Masters, Mates and Pilots; and Seafarers' International Union of North America.

Major legislation affecting railroad bargaining

The nature of the railroad industry and the importance of uninterrupted service have focused more government attention on labor-management relations in the industry than on any other. Government has been a third party in railroad bargaining either directly or indirectly. Even when settlements are reached without government intervention, negotiators for labor and management have had to bear in mind possible government reactions in the case of an impasse or dispute.

The first Federal law for management and labor in the railroad industry was the Arbitration Act of 1888, which was a response to a number of serious strikes. It provided for voluntary arbitration by a 3-member board and for Presidential boards of investigation. No case was ever arbitrated under the act, however, and a commission appointed to investigate the Pullman strike of 1894 had no meaningful influence in the settlement of the strike. This act was superseded by the Erdman Act of 1898 which continued the old law's voluntary arbitration features, but not its investigatory aspects. Significantly, the new law recognized the function of mediation in promoting settlement, which was to be undertaken by the U.S. Commissioner of Labor and the Chairman of the Interstate Commerce Commission. Additionally, a "status quo" period during the course of arbitration was adopted. The act also made it a criminal offense to dismiss a railroad employee or discriminate against a prospective employee because of union membership, but this section of the act was invalidated by the U.S. Supreme Court. A number of cases were successfully mediated under the act; a few cases were arbitrated. The Newlands Act of 1913, which amended the Erdman Act, established a permanent Board of Mediation and Conciliation to handle disputes arising out of negotiation and interpretation of agreements, which frequently was successful in resolving disputes.

In 1916, a basic 8-hour workday for workers engaged in interstate commerce on the railroads was established by "ad hoc" legislation—the Adamson Act. This was a Congressionally arbitrated solution to a dispute which had threatened a nationwide shutdown after mediation and arbitration had been refused.

From December 28, 1917, until March 1, 1920, the Federal government assumed control of the railroads under existing legislation that allowed government operation in wartime. During the period, the Director General of the Railroad Administration issued a great number of general orders having an important influence on the industry and its bargaining structure. The Director General also negotiated the first national agreements with a labor organization. The first such agreement, dated Sept. 20, 1919, was with the Railway Employees' Department of the American Federation of Labor (AFL) and covered wages and work rules.

By prohibiting discrimination against union members, Federal operation of the railroads created a climate

favorable to union growth. As a result, membership in all railroad unions increased materially, especially in the shop, maintenance of way, and clerks unions. Wages and working conditions were regulated by the Railroad Administration. On May 25, 1918, it issued General Order No. 27, which, with its supplements, established occupational groupings, known as "crafts or classes," of employees for purposes of collective bargaining. General Order 27 recognized the 8-hour workday and provided for a sliding scale of pay increases, retroactive to January 1, 1918, for virtually all railroad workers. Rates of pay for the mechanical trades were standardized by Supplement No. 4 to General Order No. 27, also effective January 1, 1918.¹ In September 1918, standard minimum rates for clerical, terminal, and maintenance of way employees were established by Supplement Nos. 7 and 8. In December, a similar order (Supplement No. 13) was issued for telegraphers and station agents.⁴ Further wage increases to shopcraft employees were granted on August 25, 1919. In addition, some of the supplements issued during the period of Federal control covered working conditions and, in general, served to make these conditions uniform by extending them to all railroads under Federal control.

Federal control was terminated by the Transportation Act of 1920, which also set up the U.S. Railroad Labor Board. This Board was authorized to hold hearings and make decisions on any dispute between railroad workers and their employers involving wages, rules, or working conditions if agreement could not be reached by the parties themselves. Although no means were provided for enforcing the decisions of the Board, both the unions and the carriers accepted the awards it issued in 1920 and 1921. Dissatisfaction with the Board reached such a high pitch by 1922, however, that it was almost completely ineffective from that time until it was abolished in 1926. Both labor and management were unhappy with the form of compulsory arbitration that had emerged. Representatives of both parties then worked together to draft language for new legislation for handling of collective bargaining and disputes in the industry.

The result was the Railway Labor Act of 1926,⁵ which was passed by Congress essentially as written by labor and management and reflected their knowledge of conditions in the industry. The five basic purposes of the act were to prevent the interruption of service, insure the right of employees to organize, provide complete

¹Addendum 1 established minimum and maximum rates for some occupations not covered by the original order, and Addendum 2 established differentials for some skilled occupations.

⁴Some supplements not mentioned dealt with rates of pay of numerically smaller groups of employees such as police department employees.

⁵For a more comprehensive explanation of the Railway Labor Act, see *The Railway Labor Act at Fifty*, National Mediation Board (1976), and *Handling of Rail Disputes under the Railway Labor Act, 1950-69*, BLS Bulletin 1753 (1972).

independence of organization by both parties, assist in prompt settlement of disputes over wages, work rules, or working conditions, and assist in settlement of disputes over interpretation of existing contracts and in resolving grievances. The law provided for a series of procedures, which are still in effect, designed to promote settlement of disputes. (See chart.) The basic mediation function was to be provided by a 5-member Board of Mediation. The parties were required to give 30-day notice of an intended change in an agreement. Conferences had to begin within 30 days and could continue until either a settlement or a deadlock was reached. Either party could request mediation services of the Board or the Board proffered its services. If mediation failed or was refused, the Board proffered arbitration. If arbitration was refused and in the judgement of the Board the dispute would "threaten substantially to interrupt interstate commerce", the President could appoint an emergency board to investigate and report on the dispute within 30 days. During this series of procedures and for 30 days after the emergency board's report, carriers were to refrain from making any changes in conditions of employment, and employees were prohibited from striking. (See chart.)

In 1934, important amendments to the 1926 Act protected the right of employees to organize for collective bargaining,⁶ established the National Railroad Adjustment Board to take over the handling of grievances and disputes over interpretation or application of agreements under the act, renamed the Board of Mediation the National Mediation Board, and reduced the number of the Board's members from 5 to 3. The National Mediation Board also was authorized to handle employee representation disputes. As originally enacted, the Act had provided no express authority or machinery to resolve representation disputes. A 1951 amendment permitted carriers and labor organizations to make union shop agreements.

Railroad bargaining structure

Representatives of labor and management conduct collective bargaining negotiations at both the local and national levels within the framework of the Railway Labor Act. Each of the carriers maintains agreements with all or most of the major labor organizations and in many cases with various small or independent unions. About 6,800 such agreements exist in the industry. The agreements contain some provisions which are applicable nationally as well as provisions which are local in nature. Certain items such as general wage increases, holidays, vacations, national work rules, and health and welfare are negotiated at the national level with the resultant terms being incorporated into the many local contracts.

National negotiations are referred to as national "movements" which may be initiated by either party. They usually are initiated by the Standard Railway La-

bor Organizations (those certified under the Railway Labor Act), acting either individually or in groups, with the serving upon the individual carriers of generally concurrent and similar notices requesting contract changes. The notices also include a request that if the proposals are not settled on the individual property, the carrier join with other carriers to authorize a Carriers' Conference Committee to represent it in talks at the national level. These notices along with authorization are then forwarded to the Carriers' Conference Committee. The carriers also propose agreement changes to the various labor organizations. Although railroad agreements traditionally have not had fixed durations, for many years the parties have agreed on "moratoriums" for various contract items thereby prohibiting any changes during the specified period. Usually the moratoriums for certain items have varied. This resulted in a staggering of the dates of submission of notices for various contract item changes. More recently, however, the parties covered by this chronology have agreed to a common moratorium for all national agreements and issues.

Multi-employer and multi-union bargaining with respect to wages as we know it today began in 1931. As a result of the depression, management served proposals under the Railway Labor Act for a 15-percent reduction in wages and asked the unions to negotiate on a joint national basis. Such joint negotiations occurred, resulting in a national settlement for a 10-percent reduction in wages. A series of national agreements in the early 1930's gradually eliminated the reduction; the final agreement included an understanding that future general movements would be handled on a national basis. National negotiations undertaken in 1936 at the suggestion of Congressional committees resulted in the Washington Job Protection Agreement of 1936. In the following year, at the request of President Roosevelt, national negotiations were undertaken which resulted in agreement upon and labor-management sponsorship of legislation that became the Railroad Retirement Act of 1937. A general wage movement also was handled on a joint national basis in 1937. Joint national handling of working conditions began with the vacation agreement of 1941.

Employers. The National Railway Labor Conference (NRLC) represents virtually all of railroad management in negotiations which are national in scope, with its chairman acting as spokesman and chief negotiator for management on the basis of a grant of power of attorney from the individual carriers. National bargaining in the industry evolved gradually from negotiations for a

⁶The amendment provided that "no carrier . . . shall require any person seeking employment to sign any contract or agreement promising to join or not to join a labor organization", and provided the authority to enforce this provision.

section of a railroad, then to systemwide talks, and later to regional bargaining. In response to union attempts in the early 1900's to achieve more uniformity in agreements beyond the systemwide scale, the carriers established three regional conferences to handle their negotiations on a regional basis. These conferences were composed of representatives of many major railroads in the Eastern, Western, and Southeast rail territories. Informal cooperation developed among these conferences, and in later years the regional committees often agreed upon a single spokesman for national bargaining. In 1963, the carriers formally consolidated the handling of national labor relations matters by establishing the NRLC. Ultimate power to ratify an agreement on the behalf of management, however, typically rested with the regional conference committees until 1972 when the National Carriers' Conference Committee was formed within the NRLC to assume the jurisdiction formerly held by the regional committees which were concurrently dissolved.

A recent development that may have a significant effect on managements' bargaining structure was the establishment of the Consolidated Rail Corporation (ConRail). ConRail was established effective April 1, 1976, as a result of the Rail Reorganization Act of 1973, signed into law on January 2, 1974. The act set in motion a process of reorganizing seven railroads⁷ that were in bankruptcy proceedings. The result was ConRail, the largest corporate reorganization in American history. It is a for-profit organization dealing primarily in freight operations⁸ from Boston to East St. Louis (through 15 States, 2 Canadian provinces, and the District of Columbia) and employing about one-fifth of all railroad workers in the United States. It is affiliated with the NRLC, but due to legislative mandates to conclude single agreements for each craft, it has decided to negotiate independently with the unions rather than through the NRLC in recent bargaining efforts. Since ConRail is such a large component of management and employs so many workers, any independent action by it could significantly affect the present bargaining structure if it deviates from the national pattern.

Similarly, Amtrak, a for-profit corporation which began operations May 1, 1971, created by the Rail Passenger Service Act of 1970 to preserve a basic national passenger network, has not been represented by the NRLC in national negotiations. It has, however, negotiated terms similar to those negotiated by the NRLC. Amtrak began as a contractor using services and equipment of the railroads over which it operated. It since has been given authority to purchase equipment and to assume many servicing, repair, and maintenance functions previously performed by the operating companies. With the acquisition of the "Northeast Corridor" operations⁹ from ConRail on April 1, 1976, Amtrak became an operating railroad. When Amtrak began, its trains and stations were staffed by employees of the

operating railroads. It slowly assumed station, on-board, and maintenance functions by switching railroad employees to the Amtrak payroll. By December 1976, Amtrak had about 18,400 employees—about 7,600 of whom were in the Northeast Corridor.

Unions. On the labor side, individual unions of railroad workers had agreements with many of the railroad and switching and terminal companies (or their predecessors) before 1900. Nonoperating employees had gained sufficient strength by the 1890's to negotiate for the settlement of grievances; for example, by 1893, the Order of Railroad Telegraphers had 15,000 members and agreements with 25 carriers. During their formative years, the unions negotiated separate agreements with individual companies. In 1902, however, the Order of Railway Conductors (ORC) was joined by the Brotherhood of Railroad Trainmen, and these negotiations initiated the multi-employer bargaining pattern that has prevailed throughout the industry since that time. These early agreements, although negotiated with a group of employers, were geographically limited and confined primarily to the operating unions.

Union organization of railroad workers has been along craft lines. Crafts or classes of such workers have been distinct and generally recognized for many years. Two types of crafts or classes have developed in the industry—the first conforming mainly to the old craft guilds and closely restricted to employees in one particular occupation and the second combining into one group various occupations generally related to a particular line of endeavor. There are two major cooperative organizations, neither of which originally was established as a bargaining agency. The Railway Employees' Department (RED) was chartered by the AFL in 1909 primarily to further legislation and bring about uniformity in work rules. In the mid-1930's, the RED emerged as a major bargaining group representing the shopcraft organizations (organizations of craft workers in maintenance shops). Today the RED is composed of the Boilermakers (BBF), Carmen (BRC), Firemen and Oilers (IBFO), and Electrical Workers (IBEW); the Machinists (IAM) and Sheet Metal Workers (SMWIA) withdrew in 1973. Prior to each bargaining round, each affiliated organization typically gives the RED authorization to negotiate for it. Coincident with enactment of the Railway Labor Act, the Railway Labor Executives' Association (RLEA) was organized in 1926, largely to watch over administration of the

⁷These railroads were the Penn Central, Lehigh Valley, Central of New Jersey, Reading, Lehigh & Hudson River, and Erie Lackawanna. Also included was the Ann Arbor Railroad controlled by the Penn Central.

⁸Under contract to various agencies and Amtrak, it also provides track and operating personnel for passenger trains.

⁹Routes acquired include the Boston-Washington, New Haven-Springfield, and Philadelphia-Harrisburg lines.

Act. Most of the organizations representing railway workers have been affiliated with the RLEA (19 as of 1975). It is composed of the president of the AFL-CIO's RED and a major official of each of the affiliated organizations. The RLEA now functions as a policy-making body on legislative and other matters of common interest to railroad workers. Although not directly involved in collective bargaining,¹⁰ the RLEA has provided a more cohesive bargaining front by being a forum for discussions among labor leaders. Organizations not affiliated with the RLEA usually have acted contemporaneously with its members. All but one member, an operating union, are affiliated with the AFL-CIO. The BRASC and four other organizations withdrew from the RLEA over a dispute involving retirement legislation and formed the Congress of Railway Unions in 1969. In 1975, all of these unions, except the BRASC, reaffiliated with the RLEA. In 1977, the BRASC also rejoined the RLEA.

The labor organizations traditionally have bargained according to two major functional categories—nonoperating organizations (for workers not directly involved in the movement of trains) and operating organizations (for those directly involved in the movement of trains). The nonoperating unions, most of which are covered by this chronology (see footnote 2), are a mixed group of craft and industrial unions and generally have coordinated their bargaining efforts and have been referred to as the “cooperating railroad labor organizations”. In some more recent bargaining rounds, mostly in the 1960's, this group had split into various coalitions at different times and over different issues—primarily along shopcraft and nonshop lines. This trend largely has resulted from the influence of settlements outside the railroad industry in formulating demands of shopcraft unions; most of their members are employed in other industries and an ease of mobility across industry lines exists for shopcraft workers. The opposite has been the case for unions having their representational base within the railroad industry (see footnote 2). Traditionally, the operating unions have not bargained as a group,

largely due to jurisdictional disputes. In 1969, however, this situation changed significantly when four of the five operating unions merged.

In contrast to the past factionalism mentioned, all of the major labor organizations representing railroad workers, except the SMWIA, agreed in 1973 to negotiate as a single group. Most of them did so and settled concurrently. The labor organizations agreed to coordinated bargaining prior to the 1975 round by seeking uniform wage increases, establishment of an escalator clause, and similar fringe benefits, but each union was free to negotiate independently. The organizations settled on similar agreements. In the 1978 bargaining round, cooperation among labor organizations was fragmented over a variety of issues.

Wage structure

Wage rates for most shopcraft employees generally are uniform on most railroads. Pay rates of other nonoperating employees do not reflect the same uniformity and vary among companies and geographic regions. Nonoperating employees are paid on the basis of an hourly or daily wage or a weekly or monthly salary. Wage adjustments which have resulted from general wage movements have been uniform throughout the industry in most cases, although there have been periods when the increases for different crafts or classes of nonoperating employees varied (e.g., when wage hikes varied along shopcraft and nonshop lines in the 1960's).

Rates of pay for most operating employees performing the same work generally also are uniform throughout the industry, although operating employees in road service (on train) have a dual pay system. Under this dual pay system, actual compensation depends on the number of miles traveled as well as the number of hours worked in covering those miles.

¹⁰The RLEA, however, did become directly involved in some negotiations such as wage negotiations in 1932 and negotiations for the Washington Job Protection Agreement of 1936.

Summary of Contract Negotiations

May 1920-January 1932

The Transportation Act of 1920, enacted the year the railroads were returned to private ownership¹¹ provided for the establishment of the U.S. Railroad Labor Board. This Board was authorized to hold hearings and make decisions on any dispute between railroad workers and their employers involving wages, rules, or working conditions if agreement could not be reached by the parties themselves. Although no means were provided for enforcing the decisions of the Board, both the organizations and the carriers accepted the awards it issued in 1920 and 1921. However, dissatisfaction with the Board reached such a high pitch by the end of 1922 that it was almost completely ineffective from that time until it was abolished in 1926.

Among other matters, the Board ordered a wage increase of approximately 22 percent, effective May 1, 1920, and a wage reduction of about 12 percent, effective July 1, 1921, for operating and nonoperating forces. The Board also considered the advisability of continuing the national agreements and other working rules established by the Railroad Administration. In its April 14, 1921, decision to terminate the national agreements on July 1, the Board ordered the parties to negotiate agreements for each railroad in conformance with 16 specified criteria. By mid-June, some railroads and employees had agreed on all rules; in most cases, however, there were certain rules upon which no agreement had been reached and in a significant number of cases conferences had not begun. The principal rules on which agreement could not be reached were those governing the payment of overtime.

On June 27, 1921, the Board issued an addendum to its April 14 decision which continued in effect, where rules had not been agreed to by the parties, the work rules of the Railroad Administration. The addendum provided that overtime in excess of the established hours was to be paid at the pro rata wage rate. This order was not to apply on railroads where the parties had reached agreement on an overtime rate, or to employees who were receiving more than the pro rata rate before a Railroad Administration order on wages and working conditions had been issued. Meanwhile, the Board attempted to redraft certain of the rules applying to the shop crafts. Instead of drafting individual road rules, the Board finally decided on seven uniform working standards relating to overtime pay for all roads

for which disagreements had been certified. The shop unions reluctantly accepted the new rules. Following this action, the Board established a uniform basis for certain working rules for maintenance of way, clerical and station employees, signalmen, and firemen and oilers. Shortly thereafter, the Board issued decisions setting working standards for train dispatchers, supervisory mechanics, telegraphers, stationary engineers, and yardmasters. By the end of 1921, the working conditions of virtually all nonoperating employees were affected by rules promulgated by a government agency and written into system agreements.

When the economic downturn of 1921 continued into 1922, the Board acted favorably on employer petitions for a further wage decrease. Virtually all categories of nonoperating employees were affected by the reductions, which averaged 5 percent and ranged up to 20 percent.

Dissatisfaction with the Board's overtime rules and the increased practice of contracting out work by the carriers, in combination with two wage decreases in 2 years, precipitated a strike in 1922 by the shop crafts. The dispute, which continued for more than 2 months, was terminated in effect by a Federal court injunction prohibiting picketing of railroad properties. Much of the membership gained by the shop crafts during the period of Federal operation was lost when "A large number of roads ... refused to take back the strikers and fostered the formation of new organizations on their lines with whom they negotiated wage scales, rules, and working conditions."¹² Under these circumstances, the shop craft unions were forced to discontinue their efforts to negotiate a national agreement.¹³ Other unions

¹¹ See Introduction for brief history of period of Federal control of the railroads.

¹² Harry E. Jones, *Railroad Wages and Labor Relations, 1900-1952-An Historical Survey and Summary of Results* (New York, Bureau of Information of the Eastern Railways, 1953), pp. 80-81.

¹³ On July 3, 1922, the Railroad Labor Board, by resolution, recommended that "the carriers and the employees remaining in service and the new employees succeeding those who have left the service...take steps as soon as practicable to perfect on each carrier such organizations as may be deemed necessary..." to function as representatives of the employees before the Railroad Labor Board, "in order that the effectiveness of the transportation act may be maintained."

returned to the prewar practice of bargaining with individual roads. In a few instances, negotiations were conducted on a regional scale.

Nonoperating employees were able to obtain small increases after 1922 through negotiations with individual railroads. Wage rates of shop craft employees were increased 2 cents an hour in 1923-24 and 3 cents in 1926. Many roads granted time and one-half for work on Sundays and holidays. Where this was not done, an additional 1 cent an hour was added to basic wage rates.

Dissatisfaction with the decisions of the Railroad Labor Board resulted in an agreement between the Association of Railway Executives and the chief officers of the railway labor organizations that led to the repeal of the labor provisions (Title III) of the Transportation Act and the enactment of the Railway Labor Act of 1926.¹⁴ This law abolished the Railroad Labor Board and its functions and established mediation and arbitration (as provided in earlier regulatory statutes) under a Board of Mediation. In addition, the act provided for appointment of Presidential emergency boards to investigate and report on disputes if mediation failed, arbitration was refused, and interstate commerce was threatened with substantial interference; a cooling-off period following the report was prescribed. (See chart.)

Under the new act, the operating brotherhoods were able to negotiate relatively uniform regional wage increases, but during the ensuing years, the nonoperating employees continued to negotiate with individual roads. Proceedings under the 1926 act were instituted by the mechanical trades organizations on the New York Central Railway in 1928. A Board of Arbitration decision, released January 18, 1929, provided a 5-cent-an-hour increase to shopcraft employees of that system, effective January 1. The award established a pattern, and similar increases were granted to such employees by most roads. Increases negotiated by other organizations were not nearly as uniform.

Early in 1931, the railroad employee organizations attempted to arrange a conference with a representative group of railroad presidents to consider a program for employment stabilization. While this and a subsequent proposal did not succeed, they were the forerunners of the first national wage conference held in Chicago in the closing months of 1931.

February 1932-July 1937

Late in 1931, the railroads opened negotiations on a nationwide basis with the labor organizations for a 15-percent reduction in basic rates of pay.¹⁵ The negotiations resulted in a 1-year agreement that reduced -- earnings temporarily by 10 percent, effective February 1, 1932, but left basic rates of pay unchanged. In December 1932, the unions agreed to an extension of the deduction to October 31, 1933. A further extension to June 30, 1934, was made at the request of the Federal Coordinator of Transportation (whose office was cre-

ated in June 1933 under the Emergency Railroad Transportation Act of 1933). On April 26, 1934, the parties agreed to the complete cancellation of the 10-percent deduction over a period of 9 months; reducing it to 7.5 percent on July 1, 1934, to 5.0 percent on January 1, 1935, and to a complete cancellation on April 1, 1935.

The Emergency Railroad Transportation Act of 1933, which was enacted primarily to bolster the sagging railroads by eliminating unnecessary duplication of services and facilities, also made provision (section 7) for the maintenance of employment levels and earnings. Before the expiration of the job protection provision of that act in June 1935, the operating and nonoperating organizations jointly opened negotiations with the Carriers' Joint Conference Committee to continue the job protection provision through collective bargaining. These negotiations resulted in an agreement, the "Washington Job Protection Agreement of May 1936," providing specified protection to employees adversely affected by mergers or consolidations involving two or more railroads.¹⁶

Nonoperating unions did not fully recover from the effect of the shopcrafts strike until the Railway Labor Act of 1926 was amended in 1934 "to outlaw so-called 'company unions' and to insure, so far as possible, that collective bargaining agencies would be national labor organization."¹⁷ Since that time, collective bargaining on wages and many related benefits has been conducted at the national level by committees representing labor and management. Under the 1934 amendment, the present National Mediation Board was authorized to handle disputes involving representation of employees, as well as to continue the mediation functions which formerly had been handled by the Board of Mediation. The amendment also established the National Railroad Adjustment Board with authority to decide grievances and disputes involving application of existing agreements.

August 1937-August 1941

Early in 1937, 14 nonoperating unions met in Chicago and drew up a series of proposals which were presented to the managers of the individual roads. They noted that the national wage agreement of April 26, 1934, provided that future negotiations would be con-

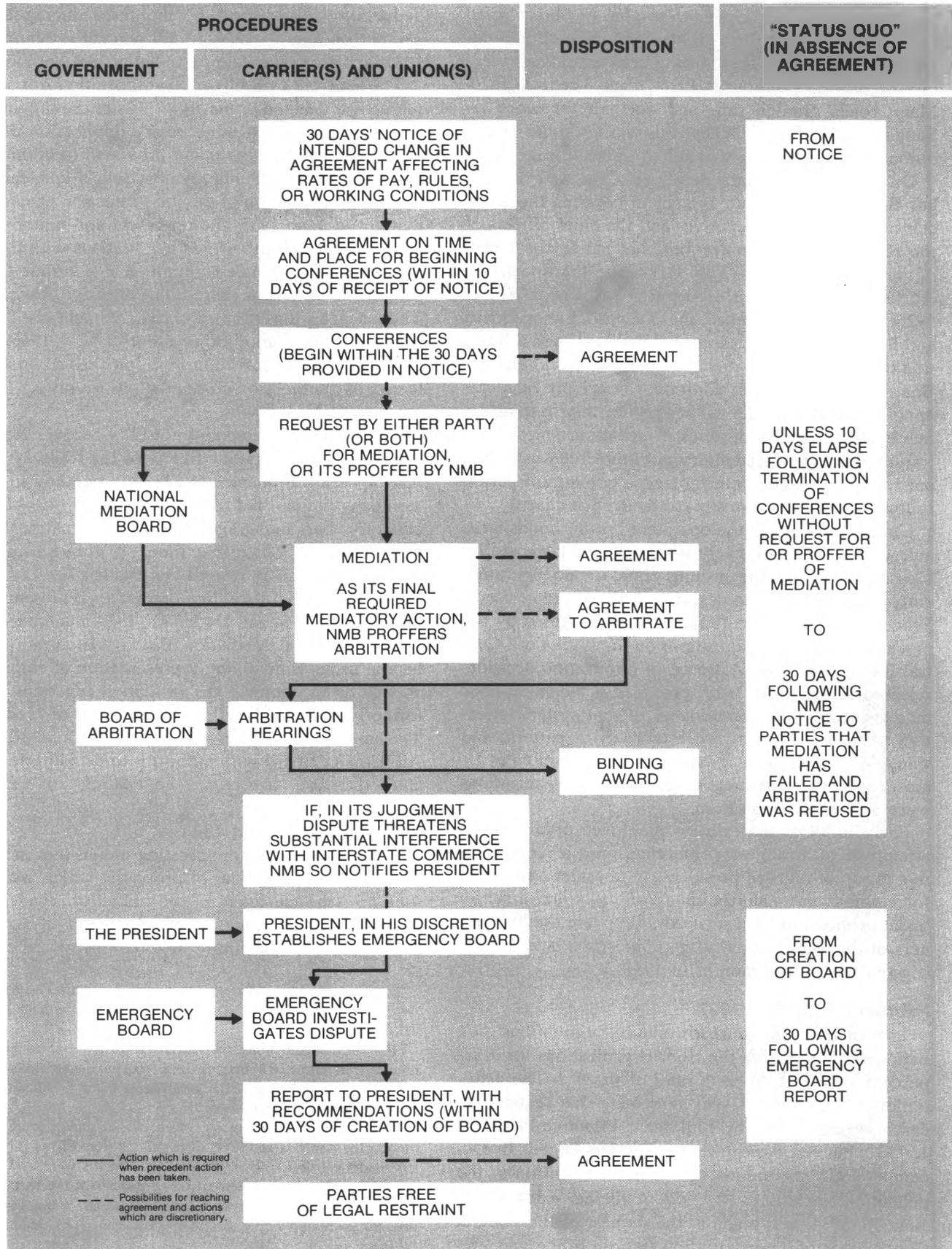
¹⁴ Frank J. Murphy, "Agreement on the Railroads-The Joint Railway Conference of 1926," *Labor Law Journal*, September 1960, pp. 823-836, 864.

¹⁵ For these negotiations, the carriers were represented by a Conference Committee of Managers. In subsequent negotiations, the railroads were represented by Eastern, Western, and Southeastern Carriers' Conference Committees.

¹⁶ The Transportation Act of 1940 provided similar protection, although the duration and level of benefits differed from those available under the Washington Agreement. Benefits were available under the Washington Agreement on agreement of the parties; when the parties were unable to agree, the provisions of the Transportation Act were applied by the Interstate Commerce Commission.

¹⁷ Jones, op. cit., p. 104.

Railway collective bargaining procedures and "status quo" periods under the Railway Labor Act



ducted at the national level and, therefore, requested the appointment of a national carrier committee to meet with a committee representing the nonoperating employee organizations. The unions proposed a 20-cent-an-hour increase, guaranteed full-time pay for all regularly assigned men, and two-thirds of full-time for standby men.

The national negotiations were suspended in mid-1937 when the carriers' final offer of 2 cents an hour was refused by the unions. After the organizations took a strike vote, negotiations were resumed in July at the request of the National Mediation Board. The second series of conferences failed to produce agreement, but mediation by a member of the Board was successful, and in August, the railroads agreed to increase wages 5 cents an hour and to terminate share-the-work-practices when requested by the presidents of the unions.

During the recession of 1938, the railroads' request for a 15-percent wage reduction was referred to an Emergency Board by the President of the United States. The Board's recommendation that there should be no reduction was accepted by the carriers.

September 1941-December 1945

In 1940, a group of 14 nonoperating unions drew up requests for 2 weeks' vacation with pay and, in 1941, made another request for a 30-cent-an-hour wage increase and a 70-cent-an-hour minimum rate. The Western railroads countered with a proposal for a 10-percent wage reduction. Later, the Southeastern and Western carriers jointly asked for various rule changes. The dispute was submitted to an Emergency Board which recommended an increase of 9 cents an hour and a minimum rate of 45 cents an hour, effective September 1, 1941, and a 1-week vacation with pay. When the recommendations of the Board were not accepted by the unions, the President, at the unions' request, reconvened the Board. After further hearings, the Board held that no new evidence had been presented that was sufficient to persuade it to alter its previous findings. After the attack on Pearl Harbor, however, the parties, through the mediation efforts of the Board, agreed to a 9-cent-an-hour wage increase and a 45-cent-an-hour minimum rate retroactive to September 1, 1941, an additional 1 cent an hour effective December 1 (with a 46-cent-an-hour minimum), and a 1-week vacation with pay after 1 year's service. Clerks and telegraphers were granted a 9-day vacation after 2 years' service and 12 days after 3 years.

Fifteen unions joined in a national wage movement in September 1942. They requested an increase of 20 cents an hour, a 70-cent minimum wage rate, and the union shop. After hearings that extended from March 1 to May 7, 1943, an Emergency Board recommended an 8-cent-an-hour increase. The request for the union shop was denied. In addition to disapproving the recommendation, the Director of Economic Stabilization, on June 22, 1943, instructed the Emergency Board to

reconvene and issue revised recommendations. The Board declined to do so.

During the period, another emergency board had recommended a 4-cent-an-hour increase for operating employees which was approved by the Economic Stabilization Director. The operating unions, however, refused to accept the recommendation. When the parties could not agree on the operating organizations' other demands, the matters in dispute were arbitrated by the President of the United States and an additional 5 cents an hour was granted in lieu of claims for premium pay for work in excess of 40 hours a week and for expenses while away from home.

Additional proceedings involving the nonoperating employees included a special Emergency Board, which, on November 4, 1943, recommended a gradual wage increase ranging from 4 cents an hour for the highest paid employees to 10 cents for those receiving less than 47 cents an hour. The labor organizations also rejected this recommendation. Following the arbitration of the operating employees' case, the President reconvened the "non-ops" special Emergency Board with instruction to consider the organizations' claim for payments for, or in lieu of, overtime. Under the auspices of the Board, agreement was reached on January 17, 1944. The agreement provided that the November 4, 1943, recommendations of the Board were to be made effective February 1, 1943, and an additional increase in lieu of overtime, on an ascending scale from 1 to 5 cents an hour, was made effective December 27, 1943. The combined increases ranged from 9 cents an hour for the highest paid employees to 11 cents for those who had been receiving less than 47 cents an hour.

In June 1944, 14 nonoperating unions proposed that their vacation agreement (which provided generally for a 1 week's vacation with pay) be revised to provide 12 days' paid vacation for employees with 1 year's service, 15 days for those with 2 years', and 18 days for those with 3 years' service. This proposal was rejected by the railroads. Shortly before the dispute was to be referred to an Emergency Board, the parties, at the request of the National Mediation Board, resumed negotiations and reached agreement on February 23, 1945. The agreement provided a 6-day paid vacation for employees with 1 year's service and 12 days for those with 5 or more years' service.

January 1946-August 1947

In the summer and fall of 1945, 15 participating unions presented varying proposals to the carriers for reduction in hours of work and other rule changes. When the Government modified its stabilization policy late that year, the unions abandoned their initial requests in favor of a request for a 30-cent-an-hour wage increase. An Arbitration Board, on April 3, 1946, awarded a 16-cent increase retroactive to January 1, 1946. On April

15, the organizations, contending that the increase was inadequate, requested an additional 14 cents. During this period, a parallel Arbitration Board had under consideration requests for wage increases by firemen, conductors, and switchmen, and hearings were also being held by an Emergency Board on requests for wage increases and changes in rules involving engineers and trainmen; the wage increases awarded by the Board of Arbitration and recommended by the Emergency Board were identical to those previously granted to the "non-ops." Dissatisfaction with these recommendations led to a short strike by the engineers and trainmen. The President of the United States intervened and proposed that the parties compromise on an 18.5-cent-an-hour increase. Acceptance of the President's proposal by the parties entitled nonoperating workers to an additional 2.5 cents effective May 22, 1946. The railroads were operated by the Government for 9 days while the President's proposals were being considered.

September 1947-January 1951

Seventeen nonoperating labor organizations participated in the 1947 wage movement, the first to take place after the removal of wage and price controls following World War II. An Arbitration Board appointed under the provisions of the Railway Labor Act of 1926, as amended in 1934, considered the unions' request for a 20-cent increase and made an award of 15.5 cents an hour, effective September 1, 1947.

The wage negotiations of 1948-49 were directed primarily at reducing hours of work and increasing take-home earnings. In April 1948, a request for a 25-cent-an-hour wage increase and the establishment of a 40-hour workweek with premium pay for work on Saturdays, Sundays, and holidays was presented to the carriers by 16 nonoperating organizations. This dispute was also referred to an Emergency Board, which recommended an additional 7-cent-an-hour wage increase, effective October 1, 1948, a 40-hour 5-day week adjustment in basic rates to compensate for a reduction in weekly hours of work, time and one-half for work on rest days or in excess of 8 hours a day and/or 40 hours a week, and continuation of premium pay for holidays where the practice existed. The recommendations also pointed out the necessity of changing some working rules to conform to the proposed workweek and dealt with the effect of the change on specific groups of employees. When the parties could not reach an agreement based on the recommendations, they asked the members of the Emergency Board to assist them, and later, when a compromise could not be reached, to decide the dispute as referees. The referees' decision was embodied in an agreement dated March 19, 1949. Adjustment to the 40-hour week increased hourly rates of pay (exclusive of the 7-cent-an-hour increase which became effective October 1, 1948) by about 20 percent.

February 1951-November 1955

On October 25, 1950, 15 nonoperating organizations served uniform notices on all carriers proposing a 25-cent-an-hour increase. By January 19, 1951, negotiations reached an impasse and mediation under the auspices of the National Mediation Board began. With the assistance of the labor adviser to the President, agreement was reached on March 1, 1951. The agreement provided for a 12.5-cent-an-hour general wage increase effective February 1, 1951 and an escalator clause for the adjustment of wages to changes in the cost of living, based on the Bureau of Labor Statistics Consumer's Price Index.

The 1951 agreement contained a unique reopening clause. This provision permitted further wage discussions after July 1, 1952, if the Government clarified the wage stabilization policy in effect during the Korean conflict to permit annual improvement (productivity) increases. It permitted the parties to meet with the President, or his appointed representative, to discuss whether a further wage increase was justified under existing conditions and stabilization policies. If agreement could not be reached, the President was to be requested to appoint a referee to decide the issue.

In 1952, when an agreement could not be reached in discussions with a Presidential representative, he then sat as referee and ruled that stabilization policy did permit the reopening. After further hearings, the referee, on March 18, 1953, awarded a 4-cent-an-hour increase retroactive to December 1, 1952. Both the carriers and 19 participating organizations had agreed to accept the award.

In 1953, a nationwide movement was started with a request by 15 labor organizations for improved vacation pay, paid holidays, a health and welfare plan, premium pay for Sunday work, and more liberal free transportation privileges. In response to the May 22 notice by the organizations, the carriers requested revision of 31 work rules and contended that health and welfare benefits and transportation privileges were not subjects for negotiation under the Railway Labor Act. By December, the dispute reached emergency status and an Emergency Board was appointed to hear the case. In the interval, the carriers sought a declaratory judgment from a Federal district court that the Railway Labor Act did not require them to bargain on health and welfare and free transportation. This action was dismissed by the court during the course of the Emergency Board hearings on the ground that it did not present a justifiable case, but its decision was reversed by an appellate court. An appeal to the U.S. Supreme Court was pending when the parties reached agreement. The Supreme Court vacated the decision of the court of appeals and, on the ground that the question was moot, directed the district court to dismiss the case. The Emergency Board's recommendations of May 15, 1954,

included improved vacations, 7 paid holidays, and a contributory health insurance plan with the benefits to be negotiated. Specific recommendations were made on seven of the carriers' rules proposals. The agreements of August 1954 closely followed the Board's recommendations, although problems developed in regard to acceptance of the health insurance plan by some carriers. On January 18, 1955, the railroad and union committees jointly took out a hospital-surgical insurance policy.

By agreement of December 3, 1954, the parties discontinued the cost-of-living escalator provisions which had been established in the agreement of March 1, 1951, and incorporated into basic rates of pay the 13-cent-an-hour allowance then in effect.

December 1955-June 1960

A request of April 2, 1955, for assumption by the carriers of the entire cost of the health program and another request on August 1 by 11 organizations for a 25-cent-an-hour wage increase was placed in the hands of an Emergency Board in November. The Board's recommendations of a pay raise of 14.5 cents an hour, except for dining car employees, and assumption of the full cost of the health and welfare plan was accepted in December 1955 by the parties.

In June 1956, a request for a 25-cent-an-hour wage increase was presented to the carriers by 11 nonoperating organizations. The carriers in turn asked for a 6.5-cent-an-hour wage reduction. The assistance of the National Mediation Board was requested in September when it became apparent that the parties could not compromise their differences. With the assistance of the Board, a 3-year agreement was concluded on November 1, 1956. It provided for a 10-cent-an-hour increase on November 1, 1956, and two deferred increases of 7 cents each, effective November 1 of 1957 and 1958. In addition, a new cost-of-living escalator provision was incorporated into the agreement, and health insurance benefits were provided for the dependents of railroad workers.

July 1960-January 1962

Collective bargaining was initiated by the unions on May 29, 1959, with proposals for liberalized holiday and vacation pay. Because of declining employment since 1945, the 11 participating organizations,¹⁸ represented about one-half million workers. In their June 8 reply, the carriers contended the negotiations on holiday and vacation pay were barred until the November 1 expiration date of the agreement then in effect. The carriers' position was overruled by the National Mediation Board in November 1959. By September 1, the organizations had expanded their proposals to include a 25-cent-an-hour general wage increase, incorporation of the existing cost-of-living allowance into basic rates, cancellation of the cost-of-living escalator provision

(since the unions were no longer willing to accept a long-term agreement), and improvement of the health and welfare plan and a \$5,000 life insurance policy for each employee. When it was evident the parties could not agree, the National Mediation Board attempted to mediate the dispute. When mediation failed and arbitration was refused, these facts were reported to the President, who appointed an Emergency Board on April 22, 1960. On June 8, the Board recommended (1) a 5-cent-an-hour general wage increase effective July 1, 1960, (2) incorporation of the existing 17-cent cost-of-living allowance into basic rates and discontinuance of the escalator clause, and (3) in lieu of a further wage increase in 1961, certain improvements in the health and welfare plan (including employer financed life insurance), with increased employer contributions to finance the changes and maintain the financial stability of the fund. The Board further proposed that 2 weeks' vacation be provided after 3 instead of 5 years' service and that the steadily diminishing work opportunities characteristic of the industry be recognized by liberalizing vacation eligibility requirements. Improvements in rules regarding eligibility for holiday pay were also recommended.

A settlement was concluded by the parties on August 19, 1960, some 15 months after negotiations started. The parties accepted the Board's recommendations for a general wage increase, incorporation of the cost-of-living allowance into basic rates, and elimination of the cost-of-living escalator clause. The Board's recommendations on health and welfare were, on the whole, also accepted: Benefits equal to those for employees except for home and office calls were provided for dependents; life insurance was provided for covered employees; and health and welfare benefits and life insurance were extended for 3 months after layoff to furloughed employees who had been employed for at least 5 months before furlough. The new health benefits were to be financed by additional employer contributions (including a monthly contribution of 81 cents for the costs of treating on-duty injuries—previously covered by another arrangement). In addition, qualifying provisions for vacations were liberalized, and rules regarding eligibility and qualifications for holiday pay were revised. The agreement was to remain in effect until changed in accordance with the provisions of the Railway Labor Act,

¹⁸ Unions cooperating in the 1959 nationwide movement were as follows: International Association of Machinists; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; Sheet Metal Workers' International Association; International Brotherhood of Electrical Workers; Brotherhood of Railway Carmen of America; International Brotherhood of Firemen and Oilers; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees; Brotherhood of Maintenance of Way Employees; Order of Railroad Telegraphers; Brotherhood of Railroad Signalmen of America; and Hotel & Restaurant Employees and Bartenders International Union.

except that changes in basic rates of pay could not be made on a regional or national basis before November 1, 1961.

February 1962-December 1963

Negotiations on wage rates and layoff guarantees with the Nation's Class I railroads were initiated on September 1, 1961, by the 11 cooperating railway labor organizations,¹⁹ representing at that time approximately 500,000 nonoperating workers. The unions proposed a 25-cent-an-hour increase in the basic rates of all nonoperating employees and agreement on a new rule requiring at least 6 months' advance notice (except in certain emergency situations) to employees affected by abolition of positions or reduction in forces, both to be effective November 1, 1961.

The railroads' four-point counterproposal was made during the initial conference held late in September between the individual roads and the union representatives of the roads. They provided for a 20-percent reduction in the wage rates of specified unskilled occupational levels in six crafts, the same reduction in the entrance rates for certain clerical occupations coupled with 4-percent annual increases over 5 years until the established rates were again reached, a decrease to a flat hourly rate of \$1.25 for dining car waiters and other employees serving food and drinks, and elimination of all rules requiring more than 24 hours' advance notice of layoff. The proposed rate reductions would have affected approximately 150,000 employees.

On September 21, the unions requested the regional railroad organizations to establish negotiating committees for the purpose of bargaining on the union proposals on a national basis. On October 5, the railroad regional organizations stated they could not establish the committees until the handling of both the railroad and union notices on individual roads had been clarified. The unions then requested the assistance of the National Mediation Board. Following an unsuccessful attempt at mediation and the completion of a strike vote,²⁰ a National Mediation Board offer of arbitration on February 2 was refused by the unions. The carriers agreed to accept arbitration if a satisfactory agreement to arbitrate could be reached. The President, on March 3, appointed an Emergency Board, which convened on March 6, 1962, to hold hearings and make recommendations.

On May 3, 1962, the Emergency Board reported to the President, recommending wage increases of 4 cents an hour, retroactive to February 1, 1962, and 2.5 percent an hour, effective May 1, 1962. The second raise was recommended as a percentage increase in rates because, as the Board noted, the industry practice of negotiating uniform pay increases had "compressed the wage structure of all classes and crafts of nonoperating employees." To deal with this problem, the Board suggested that a study be made on the feasibility of a job

evaluation program with proper safeguards. It also recommended that the unions and carriers agree to a rule requiring not less than 5 days' advance notice of layoff or furlough for other than emergency conditions. The Board found that the prevalent practice in railroad agreements was either 4 or 5 days' notice, and that none of the agreements required more than 15 days' notice.

The organizations and the carriers resumed bargaining on May 23 and reached a settlement on June 5, 1962. This agreement provided for a total wage increase of 10.28 cents an hour—4 cents retroactive to February 1, 1962, and 6.28 cents retroactive to May 1, 1962. The participating unions had requested that the 2.5-percent increase recommended by the Emergency Board to be effective May 1 be converted to a uniform 6.28 cents per hour, which was equivalent in amount but, of course, affected individual workers differently. Advance notice of layoff of at least 5 days was provided by the agreement, except under emergency conditions covered by the August 21, 1954, agreement.

This agreement was to remain in effect until changed in accordance with the provisions of the Railway Labor Act, with provision that notices for changes in rates of pay could be served on or after February 1, 1963, although such changes could not be made effective before May 1, 1963.

January 1964-December 1966

The united bargaining front used by the 11 standard nonoperating railroad organizations since 1937 crumbled when they, acting sometimes in groups and sometimes individually, presented wage and supplemental benefit proposals to the carriers in 1962 and 1963. This segmentation resulted in six separate sets of proposals and the eventual appointment of three Emergency Boards.

Individual requests for general wage increases were proposed by the BRS, the six shopcraft organizations (BBF, BRC, SMWIA, IBFO, IAM, and IBEW), and the four remaining nonshop organizations (BRASC, BMWE, HREU, and TCE). All of the organizations cooperated in the development of common proposals for supplemental benefits, except for those on employment security. A program to insure some measure of income security for a reasonable period after termination of employment was sought by the shopcraft or-

¹⁹These unions were as follows: International Association of Machinists; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; Sheet Metal Workers' International Association; International Brotherhood of Electrical Workers; Brotherhood of Railway Carmen of America; International Brotherhood of Firemen and Oilers; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees; Brotherhood of Maintenance of Way Employees; The Order of Railroad Telegraphers; Brotherhood of Railroad Signalmen; and Hotel & Restaurant Employees and Bartenders International Union.

²⁰The organizations started taking a strike vote on November 27, 1961.

ganizations; the nonshop organizations concentrated on the retention of jobs for their members.

According to the findings of the Emergency Boards, the change in the established practice of bargaining as a group was caused by the desire of skilled workers to restore former wage relationships and by the differing employment security needs of the shop and nonshop employees.

In order to allow a clearer exposition of the several negotiations, the course of bargaining will be traced in each of three groups—one for each of the resulting Emergency Boards.

Shopcraft security negotiations. The six shopcrafts began employment security negotiations by serving notices on October 15, 1962. Extension of the Washington Job Protection Agreement to all situations which reduced employment, an end to the "farming out" of work, preservation of craft lines, and restrictions on work performed by foremen were among the organizations' key demands. The carriers did not make counterproposals until the first formal bargaining session in mid-September 1963, when they proposed work-rule changes that would increase carrier authority over work and employee assignments. Negotiations broke off the next month, and the National Mediation Board (NMB) was formally asked to enter into the negotiations. While the NMB was meeting separately with the parties, the shopcrafts conducted a strike vote which resulted in authorization for a walkout; however, no strike deadline was announced.

On December 7, 1963, bargaining was resumed and continued until late January 1964. The parties were asked by the NMB on February 8 to submit their dispute to arbitration. The organizations accepted this proposal under the condition that the carriers withdraw their demands for work-rule changes. The carriers refused, leading to the appointment of a Presidential Emergency Board on March 17, 1964, to deal with the situation.

The Emergency Board began its hearings on March 18, which culminated in an August 7 report recommending several job security changes. It proposed that employees whose jobs were altered be given a 5-year guarantee at their former wage rate; that laid-off employees receive 60 percent of their former pay for up to 5 years; and that the employers minimize the amount of work sent to subcontractors and supervisors.

Bargaining resumed after the report but again was unsuccessful and broke off in late August. On September 18, the organizations set a strike deadline of 6 a.m., September 22, 1964.

On the night before the strike deadline, the negotiators for the employee organizations postponed the strike and announced that agreement had been reached on all but the job protection provisions of the security negotiations. Settled issues included subcontracting, work

performed by supervisors, and crossing of craft lines. Agreement on the job protection issues came on October 10. The settlement extended parts of the Washington Job Protection Agreement to most job reduction situations. Under the applicable provisions, employees whose job situations were changed would be given a 5-year guarantee at their last rate of pay, while employees laid off would be given a monthly allowance equal to 60 percent of pay from 6 months to 5 years, depending on length of service. Other improvements covering severance options and moving expense protection also were provided.

BRS wage negotiations. Following a mandate of their 1961 convention, negotiators for the BRS, on February 1, 1963, served notice on the carriers independently. They demanded a 25-percent wage increase, to become effective on May 1, 1963. The carriers' counterproposals, made several days after the entrance of the NMB, called for no change in wages and for alterations in work rules governing assignments of employees and work.

Efforts at settling the BRS dispute were unsuccessful throughout the summer of 1963 and negotiations were halted in October after the NMB ceased its mediation efforts. The NMB had requested that the parties submit the issues to arbitration. The BRS agreed to this if the carriers would drop their work-rule proposals. The carriers refused, and on November 20 the organization set a strike deadline of January 6, 1964.

Three days before the strike was to begin, an Emergency Board was appointed. Hearings were held for several months, during which time the carriers agreed to drop their work-rule proposals with the understanding that this action would not affect their position in other negotiations. The Board issued its report on April 3, 1964, and recommended a 6-cent-an-hour increase for all employees plus an additional 4 cents for skilled employees, retroactive to January 1, 1964. About 80 percent of the 11,800 workers were classified as skilled. These recommendations were accepted by the parties on May 1, 1964. Similar wage increases were extended to the employees on January 1 of 1965 and 1966, by an agreement reached in late December 1964.

Wage and supplementary benefit negotiations in various groups of nonoperating organizations. Negotiators representing various groups of the 11 nonoperating organizations presented the Nation's carriers with sets of demands on May 31, 1963. These demands covered wage, job security, and supplementary benefit issues as a group. The 11 organizations presented supplementary benefit demands which included a 4th week of paid vacation after 10 years of service; 8th and 9th paid holidays; increased carrier-paid life insurance of \$6,000 (from \$4,000), with \$2,000 for future retirees; and increased carrier contributions to finance health and welfare benefits. The five nonshop organizations (BRASC, BMWE,

BRS, HREU, and TCE), in a separate action, presented employment security demands. They asked for an end to the subcontracting out of work, a 2-percent-per-annum ceiling on work force reductions, a 90-day notice of changes in job situations, a severance pay option for employees who did not wish to accept transfer, and compensation for employees who incurred losses as a result of changes in their job situations. The six shopcrafts and four of the five nonshop organizations (BRASC, BMW, HREU, and TCE) presented wage demands to the carriers. The shopcrafts requested a 10-percent plus 14-cent-an-hour increase in wages effective June 30, 1963; the four nonshop organizations asked for 29 cents an hour. In addition, all of these organizations sought deferred increases of 3.5 percent a year plus cost-of-living adjustments.

Carrier representatives released their counterproposals in mid-June 1963. They proposed that the average wage bill be left unchanged but that a widening of the spread in rates be accomplished by a 10-cent-an-hour cut in pay for employees with below-average wages and a proportional increase for employees above the average. The carriers also demanded that work-rule restrictions on subcontracting be changed, the use of non-regular help, and the right to install new equipment and techniques—an extension of Railroad Unemployment Insurance Act benefits was proposed for such affected workers.

Actual bargaining sessions between the organizations and the carriers did not begin for a considerable period of time after initial positions were announced by the parties. The carriers refused a request to begin negotiations on October 24, 1963. The parties finally agreed to start negotiations on December 4, 1963. Bargaining continued intermittently from then until mid-January, at which time the parties requested the NMB to aid separately in the 11 nonoperating organizations' supplemental benefit discussions and the shopcraft wage talks. The nonshop organizations requested a similar separate action of the NMB shortly thereafter for their wage and security negotiations.

Mediation attempts in the four disputes continued for several months until talks were broken off and voluntary arbitration requests were turned down. An Emergency Board then was appointed to deal with the disputes. Hearings continued until October 20, 1964, when the Board issued its report recommending wage increases averaging 9 cents an hour each on January 1 of 1964, 1965, and 1966 for the six shopcrafts and the four nonshop organizations involved. Recommendations on job security for the five nonshop organizations were similar to those previously negotiated for the shopcrafts. On other supplemental benefit issues, the Board recommended that employees represented by all 11 of the nonoperating organizations be given a 4th week of vacation, an 8th paid holiday, \$2,000 life insurance for re-

tirees, and the maintenance of the health and welfare plan at carrier expense.

Eight of the eleven organizations—the BRASC, BMW, BRS, HREU, TCE, BBF, BRC, and IBFO—signed wage and supplemental benefit agreements on November 20-21 based on recommendations of the Emergency Board. With the exception of the BRS, which signed only a benefit agreement (they had settled on wages earlier), the agreements provided for wage increases of 9 cents on each January 1 of 1964, 1965, and 1966. Discussion by the five nonshop organizations on job security issues and the three shopcraft organizations that had not settled (SMWIA, IAM, and IBEW) on wages and benefits continued. The latter had not settled because of skilled employees' demands for restoration of wage differentials.

A scheduled strike by the three shopcrafts was postponed when the Secretary of Labor interceded. Talks were continued but negotiations again were broken off and another strike date was set. A Federal court issued a 10-day restraining order on December 14, 1964, on complaint by the carriers but lifted it when the court found, on December 24, that the organizations had a right to strike. However, the three organizations said they would not call a strike until after New Year's Day.

Talks between the SMWIA, IAM, and IBEW and the carriers continued past the January 1, 1965, deadline and an agreement was reached on February 4, 1965. On that date, the three organizations agreed to accept a benefit package similar to that accepted by the eight other organizations. In addition, they accepted a wage agreement providing increases of 9 cents an hour (6 cents for regular apprentices) retroactive to January 1, 1964; 4 percent for journeymen mechanics, 9 cents for helpers and helpers' apprentices, and 6 cents for regular apprentices on January 1, 1965; and 3.5 percent, 9 cents, and 6 cents, respectively, on January 1, 1966.

Agreement on job security issues between the carriers and the 5 nonshop organizations was reached on February 7, 1965, thereby completing the round of collective bargaining for the 11 organizations and carriers.

January 1967-June 1973

During this period, as in the previous round of railroad negotiations, the 11 nonoperating railroad organizations²¹ split off into various bargaining groups which settled separately with the carriers on terms generally structured along nonshop and shopcraft lines. Significantly, the duration of moratoriums varied; past agreements tended to be reopenable on the same date. The first round of bargaining resulted in agreement moratoriums which lasted 1 year for the Clerks (BRASC),

²¹ On February 23, 1969, the number of organizations was reduced to 10 when the Transportation Communication Employees Union merged with and became a division of the BRASC—the Transportation-Communications Division.

18 months for the four remaining nonshop organizations, and 2 years for the shopcraft organizations. Variation continued until the 1971 and 1972 settlements which provided for a common reopening date. Also of interest were the relatively quick settlements of the nonshop organizations, which contrasted with the extended negotiations of the shopcrafts that sometimes had to be settled by legislated agreements.

January 1967-June 1968 nonshop agreements. In May 1966, the nonshop organizations, representing about 275,000 railroad workers, served formal notices for changes in wages and supplementary compensation practices to be effective January 1, 1967. They demanded an 18-percent increase in straight-time rates plus 3.5-percent "annual improvement factor" increases; a cost-of-living escalator clause with semiannual reviews providing adjustments of 1 cent for each 0.3-point change in the BLS-CPI; double-time pay instead of time and a half for regular overtime work, work on holidays, vacation days, and rest days; longevity pay of 1 cent an hour for each year of service (up to 20); 3 additional paid holidays; liberalized vacations providing up to 6 weeks' paid vacation for 20-year employees; and improved travel time and expense payments for employees assigned to live away from home. The carriers served their counterproposals in July. They included a 20-percent cut in starting pay for new employees; a provision allowing a carrier to schedule an employee's day off for any time in a workweek; and a lower compulsory retirement age. Services of the NMB were invoked by the organizations, but mediation proved fruitless. On September 28, bargaining commenced on a national scale with many issues to be resolved. An impasse was reached and strike votes were conducted by the organizations; strike authorization was announced in December.

On December 15, 1966, the BRASC reached an agreement with the carriers, providing a 5-percent wage increase effective January 1, 1967, and 3 weeks of paid vacation after 10 years of service, instead of 15 years. Significantly, the BRASC settled 2 weeks before the end of their moratorium. Railroad negotiations usually involved prolonged negotiations and often the appointment of an Emergency Board. The agreement had a 1-year moratorium.

The four remaining nonshop organizations, the BMW, BRS, TCE, and HREU, reached agreements with the carriers on January 13, 1967—less than 2 weeks after the end of their contracts' moratoriums. The pacts provided the same terms as the BRASC settlement except for an additional wage increase of 2.5-percent on January 1, 1968. Their moratoriums were for 18 months and for the first time, agreements for nonoperating employees had moratoriums of different durations.

All of the nonshop settlements stipulated that the

question of travel time and expenses for employees required to work away from their home stations would be handled by negotiations beginning in mid-1967 or by arbitration if necessary. After failure of such negotiations, an arbitration award announced in October 1967 provided increased expense payments for nonshop employees required to work away from home. (See table 3 for details.)

January 1967-December 1968 shopcraft agreements. On May 17, 1966, the six shopcraft organizations²², acting for 137,000 workers, served notices upon the carriers requesting a general increase of 20 percent in all wage rates, establishment of a cost-of-living escalator clause, shift differentials, additional overtime pay, holiday and vacation improvements, jury-duty pay, and establishment of a 30-minute paid lunch period. All changes were to be effective January 1, 1967.

In June, the individual carriers responded with various proposals of their own. Among the proposals were revision of the vacation agreement, elimination of certain craft jurisdictional barriers, greater freedom to institute technological and organizational changes, adoption of entrance rates, elimination of the advance notice requirement for emergency force reductions, a lowering of the compulsory retirement age, and revision of the 40-hour workweek rules.

Conferences were held between the individual carriers and organizations, but when no agreements could be reached, national handling of the dispute was authorized.

National talks for shopcrafts began on September 28. The parties agreed to seek the assistance of the National Mediation Board (NMB), which was obtained starting October 19. Talks continued intermittently without success through January 6, 1967, when the NMB proffered arbitration, which was acceptable to the carriers but not to the unions. On January 13, the NMB notified the parties that it was terminating its services.

The NMB then notified the President that, in its judgement, the "dispute threatened to substantially interrupt interstate commerce so as to deprive the country of essential transportation service." The organizations had polled their members on October 25, 1966, and received strike authorization if a satisfactory settlement was not reached—the strike date was set as February 13, 1967.

An Emergency Board was created by the President on January 28, 1967, and its report was submitted on March 10. The railroads were prepared to accept the Board's findings, but the unions were not. The Board recommended a 5-percent wage increase effective January 1, 1967; a 3rd week of vacation after 10 years (in-

²²They were the Railway Carmen, Boilermakers, Fireman and Oilers, Sheet Metal Workers, Machinists, and Electrical Workers.

stead of 15); a 2-year agreement with a wage reopener at the end of the 1st year; and a separate arrangement to deal with the "wage compression" problem (the narrowing of the percentage differential between rates for skilled and nonskilled workers). The NMB requested the parties to meet again, but when such talks resulted in an impasse with a second strike deadline of April 13 approaching, the President requested and received from Congress authorization for a 20-day extension of the period of statutory restraint to May 3.

A Special Mediation Panel was appointed by the President on April 12. The Panel met with the parties separately and together. On April 21, it made its own proposal for settlement which was rejected by all parties. This proposal called for a 6-percent hike for all workers in January 1967 plus 5-cent increases for journeymen and mechanics in April and October of 1967 and April of 1968.

To prevent a strike scheduled for May 3, the President on April 28 again requested and received from Congress authorization for an extension of the period of restraint—this time for 47 days.

On May 4, the President sent a message to Congress recommending special legislation (including a 90-day no-strike and no-lockout period and establishment of a presidentially-appointed Special Board) to resolve the dispute. During the period Congress was working on such legislation, the period of statutory strike restraint terminated, but the organizations promised not to take any unilateral action for a reasonable period of time. Congress was notified on July 11 that the guarantee not to engage in unilateral action was being withdrawn at the end of that week; on July 16-17, interruptions in service occurred on most of the Class I railroads in the United States.

On July 17, Congress passed and the President signed a measure to stop the strike and provide for the appointment of a Special Board (the President did so on July 18) to study the merits of the April 22 proposal of the Special Mediation Panel. The parties' arguments then would be heard. Following this, the April 22 proposal, with any appropriate modifications, was to be transmitted to Congress and the President as the Board's final determination to end the dispute. The determination would continue in effect from January 1, 1967, until such time as the Board considered appropriate—not to exceed 2 years—if the parties did not agree on other terms by October 15.

On September 15, the Special Board announced its determination, which was to be binding unless the parties reached agreement by October 15 (they did not). The determination provided for a general wage increase of 6 percent retroactive to January 1, 1967, plus a deferred general increase of 5 percent of workers' then-current rates, effective July 1, 1968. Journeymen and mechanics were to receive additional 5-cent increases on April 1, 1967, October 1, 1967, April 1, 1968, and

October 1, 1968. The determination was to remain in effect through December 31, 1968.

The shopcraft organizations also were parties to a January 11, 1968, health and welfare agreement with the carriers. (See table 3 for details.)

July 1968-December 1969 nonshop agreements. About 144,000 workers represented by the BRASC were affected by a December 29, 1967, settlement with the carriers.²¹ This was the second time in as many bargaining rounds that agreement was reached before the end of their moratorium. The new 2-year moratorium provided for wage increases of 2.5 percent on January 1, 1968 (the same as provided in the 1967 settlement for the other nonshop organizations), 3.5 percent on July 1, 1968, 2 percent on January 1, 1969, and 3 percent on July 1, 1969. The carriers also agreed to set aside 5 cents an hour per employee to adjust wage inequities. Other terms included 2 weeks of paid vacation after 2 instead of 3 years of service. An employee also would receive an additional day's pay if a holiday fell on a regularly scheduled day off.

On May 17, 1968, the BMW (for about 89,000 workers) and the HREU (for about 6,000 workers) settled with the carriers on an 18-month moratorium on wages providing general wage hikes of 3.5, 2, and 3 percent on July 1, 1968, January 1, 1969, and July 1, 1969, respectively—the same as for workers represented by the BRASC on those dates. Additionally, about 35,000 BMW workers received another 12 cents on July 1, 1968, financed by an inequity fund like that of the BRASC. HREU workers gained a 2-step reduction from 205 to 180 in monthly work hours with no loss in pay. Both organizations settled on the same liberalization in vacations as for BRASC workers and also in holidays in the case of BMW workers.

The TCE settled on an 18-month moratorium for wages with the carriers on June 24, 1968. The pact covered about 25,000 workers and provided the same wage increases and holiday and vacation changes as the BMW pact. An inequity fund of 5 cents an hour also was established.

Almost a year later, on April 21, 1969, the BRS signed an 18-month settlement with the carriers for about 10,000 workers, retroactive to July 1, 1968. The agreement, which generally followed recommendations of a Presidential Emergency Board, averted a nationwide rail strike. Skilled workers, who constituted about 80 percent of the membership, received wage increases of 22 cents plus 3.5 percent retroactive to July 1, 1968; other workers received 9 cents plus 3.5 percent. The accord also provided general wage hikes of 2 percent

²¹ The settlement included the Transportation-Communications Division of the Clerks (BRASC). The agreement's moratorium was from January 1968 through December 1969.

retroactive to January 1, 1969, and 3 percent effective July 1, 1969. The same holiday and vacation changes were provided as for other nonshop workers. The pact also provided for on-duty off-track injury insurance.

All five nonshop wage moratoriums were to remain in effect through December 31, 1969.

In addition to the above changes, all of the nonshop and shopcraft organizations had signed a 2-year health and welfare agreement with the carriers on January 11, 1968, which provided for substantial increases in such benefits. (See table 3 for details.) This agreement was a uniform plan covering all rail workers as proposed by the carriers. Notices had been served by the nonshops in September and October 1967.

The BRASC was the first of the five nonshop organizations in the bargaining round to serve notices for changes in wages and working conditions—the other nonshop organizations were not free to do so because of their longer moratoriums. The BRASC sought a 2-year moratorium for wages with wage increases of 7.5 percent each year, an escalator clause, increased overtime pay, longevity pay, establishment of an hourly minimum of \$3.40, a classification evaluation fund, and also 3 additional holidays, substantial improvements in vacations, and improved health and welfare provisions. Additionally, in conjunction with the other four nonshops, notice was served on March 15, 1967, for improvement in the employment security provisions of the job stabilization agreement and to expand its coverage (this notice subsequently was withdrawn by all of the organizations when their wage issues were settled).

The BMW and HREU settlements were the result of protracted meetings between the organizations and carriers which included discussion of a number of issues which developed out of the employment security notice of March 15, 1967. The negotiations avoided the formal procedures of the Railway Labor Act in that wage-benefit notices were not served. Terms sought centered around those of the BRASC.

On May 29, 1968, the TCE had submitted wage-rule notices which included general wage increases of 6 percent annually plus adoption of an escalator clause. The organization had been bargaining with the carriers on the job security notice and the carriers eventually suggested negotiating a package settlement.

In March 1968, the BRS had served notice separately from the other organizations for general wage increases of 10, 8, and 7 percent plus five adjustments in skill differentials and an escalator clause. Upon failure to reach agreement, services of the NMB were invoked on August 16. On December 16, the NMB terminated its services after mediation failed and the BRS refused arbitration. The BRS set a strike deadline of January 16, 1969. On January 13, the President created an Emergency Board to hear the dispute, thereby delaying a strike. The Board issued its report on March 7, 1969,

which recommended wage hikes of 3.5 percent retroactive to July 1, 1968, 2 percent on January 1, 1969, 3 percent on July 1, 1969, an additional 20 cents an hour for skilled workers, and withdrawal of cost-of-living escalator clause proposals. The BRS rejected the recommendations. Negotiations were resumed, but an impasse in negotiations resulted in a new strike date being set for April 14, 1969. The Secretary of Labor intervened only 24 hours before the strike deadline and negotiations were resumed, resulting in the agreement which was signed on April 21.

January 1969-December 1970 shopcraft agreements. An 18-month dispute was ended on April 10, 1970, affecting about 48,000 workers represented by the BBF, SMWIA, IAM, and IBEW on railroads, when the President signed a bill imposing a previously rejected settlement on the workers. The action came only a day before expiration of a 37-day legislated prohibition of any work stoppage. The 2-year mandated settlement provided for retroactive wage increases of 2 percent on January 1, 1969, 3 percent (plus an additional 5 cents for journeymen) on July 1, 1969, 10 cents on September 1, 1969, 5 percent on January 1, 1970, 7 cents for journeymen on February 19, 1970, and a 4-cent increase on both April 1, 1970 and August 1, 1970. The settlement also provided that wage rates for hourly rated workers be rounded up to the next whole cent prior to application of the January 1969 increase. Subsequent percentage adjustments were to be rounded to the nearest whole cent.

On April 24, 1970, the BRC, representing 51,000 workers, agreed to the same terms as in the mandated settlement except that the 7-cent hike for journeymen was effective April 24 rather than February 19. The round of shopcraft negotiations was completed when agreement was reached on June 12 for 18,000 workers represented by the IBFO. This agreement also followed terms of the mandated package except that a 5-cent wage increase was provided on September 1, 1969 (instead of 10 cents) with an additional 5 cents applied before the 5-percent increase on January 1, 1970, and there was no second skill adjustment.

In addition to the above increases, the BBF along with the BRC had signed a separate agreement with the carriers on September 9, 1969, to equalize the pay of blacksmiths, boilermakers, passenger carmen, and their regular apprentices with rates of sheet-metal workers, machinists, and electricians to restore a long-standing equality among the various shopcrafts. The disparity grew out of different increases in 1965 and 1966. Rates of pay were to be equalized prior to the application of the January 1969 retroactive increase. The effect was to provide additional increases to skilled BBF and BRC workers but a net decrease for BBF and BRC regular apprentices. This agreement ended a dispute which arose out of notices served in November 1966.

Additionally, all shopcraft employees would receive liberalizations involving holiday, vacation, and jury-duty pay as a result of a mediated agreement signed on September 2, 1969, by the six shopcrafts and carriers. These improvements grew out of notices served on the carriers in May 1968.

On November 8, 1968, the BBF, SMWIA, IAM, and IBEW had served uniform notices upon the carriers proposing a 10-percent general wage hike effective January 1, 1969, plus two 10-cent skill adjustments, an escalator clause, uniform minimum rates of pay, shift premiums, and overtime for weekend work. The BRC and IBFO served notices on November 20 and 30, respectively, which were similar to those of the other four shopcraft unions, but tailored to fit their own needs. The carriers responded with a number of proposals for work-rule changes. Following a stalemate in negotiations for the four unions which had served uniform notices, the parties jointly invoked services of the NMB. Mediation was unsuccessful and the NMB terminated its services on September 3 after arbitration had been refused. A strike ballot had been circulated among the employees on August 21 resulting in strike authorization; a strike subsequently was called for October 4 on six carriers.

The President then created an Emergency Board on October 3 and its report was submitted to the President on November 2. Its recommendations included wage increases of 2 percent on January 1, 1969, and 3 percent on July 1, 1969; uniform minimum rates of pay; that a general mechanic rate be established not less than 20 cents above the regular mechanic rate; and that a special increase be made on the basis of increased productivity resulting from work-rule changes.

All of the shopcraft organizations served new notices on November 26 for further wage adjustments of 20 percent on January 1, 1970, 15 percent on January 1, 1971, and 15 percent on January 1, 1972, and a revised demand for an escalator clause.

Following the Emergency Board report, talks were resumed but were unsuccessful. Further negotiations were held, aided by the Department of Labor and the NMB, and on December 4, 1969, the four organizations which had negotiated together reached tentative agreement, subject to ratification by members of each organization. The SMWIA membership rejected the settlement because of a work-rule change that permitted crafts to cross skill lines and perform "incidental" work ordinarily done by other crafts—the workers said this jeopardized their jobs. The carriers had offered the shopcrafts the 7-cent skill adjustment (effective February 19, 1970) in return for an agreement on the "incidental" work-rule change. Because of a procedure agreed to earlier by the four shopcraft organizations, the SMWIA rejection was binding upon all of them. Preparations for selected strikes then were made which were countered by the carriers who threatened a na-

tionwide lockout. Both parties were enjoined from any such actions, and the organizations then planned a nationwide strike to be effective March 5, 1970. The strike was prohibited and the dispute finally resolved when Congress assumed jurisdiction of the dispute and implemented, by Public Law 91-226 of April 9, 1970, the memorandum of understanding of December 4, 1969, including the "incidental" work-rule change, changing only the date of the 7-cent skill adjustment. On April 24, the BRC reached agreement with the carriers, and on June 12, the round of shopcraft negotiations was completed when the IBFO reached agreement with the carriers.

All six of the shopcraft moratoriums were to remain in effect through December 31, 1970.

In addition to the above developments, all of the organizations reached agreement with the carriers on February 20, 1970, for health and welfare improvements, as did nonshop organizations. (See table 3 for details.)

January 1970-June 1973 nonshop agreements. A 1-1/2-day walkout by workers represented by the BRASC (including the TCE), BMWE, and HREU was ended on December 10, 1970, when Public 91-541 was signed. The stop-gap measure provided retroactive interim wage increases of 5 percent on January 1, 1970, and 32 cents on November 1, 1970. These organizations represented about 220,000 railroad workers.

On February 10, 1971, the BMWE and HREU signed 42-month wage moratoriums with the carriers with wage terms similar to a package recommended by a Presidential Emergency Board. The settlements covered about 77,000 and 3,000 workers, respectively. Later that month, on February 25, a 42-month wage settlement was signed for 149,000 workers represented by the BRASC (including the TCE). The three pacts incorporated the two wage increases already in effect provided by the December law, plus wage increases of 4 percent on January 1, 1971; 5 percent on October 1, 1971, April 1, 1972, and October 1, 1972; and 25 cents on April 1, 1973, for BMWE and HREU workers, and 15 cents and 10 cents on January 1 and April 1 of 1973, respectively, for BRASC (and TCE) workers. The 1973 hikes were in addition to the Emergency Board's recommendations. The settlements also provided for a 9th paid holiday (except for HREU workers), a 5th week of vacation after 25 years of service, extension of paid jury duty to a maximum of 60 days a year, and on-duty off-track injury insurance.

The round of bargaining for the BRASC (and TCE), BMWE, and HREU had begun on May 29, 1969 when notices for vacation changes were served upon the carriers requesting up to 5 weeks of vacation after 20 years of service and vacation pay of 150 percent of the employee's pay rate. On September 2, 1969, the same organizations served notices requesting a 3-year agreement with wage increases of 12 percent each year, an

escalator clause, a new classification and evaluation fund, longevity pay, increased overtime rate, three additional holidays, and on-duty off-track injury insurance. Also, at various times in 1969, the carriers served counterproposals including changes in long-standing work rules.

Mediation by the NMB was invoked in mid-January 1970. After long and fruitless talks, its services were terminated on August 10 upon refusal of the organizations to submit the dispute to voluntary arbitration. This "started the clock running" and allowed a strike 30 days thereafter (September 10). At the request of the Department of Labor, the organizations agreed not to strike until September 15 while negotiation was attempted. Three railroads (the Baltimore and Ohio, Southern Pacific, and Chesapeake and Ohio) were selected as strike targets and their employees walked off their jobs on the 15th of September. A Federal judge had signed a temporary restraining order, effective until September 23, just minutes before the strike deadline, but copies of the order were not delivered until several hours later, at which time workers were ordered back on their jobs. An Emergency Board was appointed on September 18 and its recommendations were sent to the President on November 9. They included wage increases of 37 percent (compounded) over 3 years, withdrawal of holiday and vacation demands because of the financial condition of the railroads and the size of the wage hikes, a number of work-rule changes to increase productivity, and a standing committee to consider other unresolved issues. The Board's recommendations were rejected as "not enough" by the organizations as the report dealt mainly with wages and offered little in fringes. On December 10, workers went on a Nationwide strike. On that same day, Congress passed legislation to end the strike and provide interim wage increases. Further negotiations resulted in settlement.

Congress again intervened by approving emergency legislation, Public Law 92-17, on May 18, 1971, to end a walkout by 10,000 members of the BRS. The BRS was barred from striking until October 1. Interim wage increases provided under the measure were 5 percent retroactive to January 1, 1970, and 18 cents (30 cents for skilled workers) retroactive to November 1, 1970. A Presidential Emergency Board had recommended a package for the BRS similar to those for other nonshop organizations, but the BRS continued to hold out because it felt its workers were more skilled than the other workers.

On November 16, 1971, the BRS signed a 42-month wage agreement incorporating the previously legislated increases, plus wage increases following the pattern of earlier *shopcraft* settlements, of 10 cents retroactive to January 1, 1971, 15 cents for skilled workers and 8 cents for others retroactive to April 1, 1971, 5 percent retroactive to October 1, 1971, and 5 percent on April 1, 1972, October 1, 1972, and April 1, 1973. Minimum pay

scales were established for certain classifications beginning in 1971. The settlement also provided for the same supplementary benefits as for the earlier nonshop pacts, plus agreement to establish a supplemental sick leave benefit equal to 70 percent of an employee's pay. (Other nonshops, except the BRASC, also agreed to establish such benefits.)

In October 1969, the BRS had served wage notices calling for general wage increases of 12, 10, and 8 percent over a 3-year agreement, respectively, plus six additional hikes of 4 percent for skilled workers and 1.5 percent for semiskilled workers; uniform rates comparable to those on eastern roads; increased overtime; shift differential pay; longevity pay; and interest on retroactive increases. Carrier counterproposals included a number of modifications in work rules. The parties jointly invoked the services of the NMB on April 9, 1970. The BRS served notice for fringe benefit improvements in May 1970. Mediation of all issues commenced on July 28 and continued intermittently until January 22, 1971, when the NMB proffered arbitration which was refused by the BRS. An Emergency Board then was created on March 4 and it issued its report on April 14, recommending wage hikes similar to other nonshop pacts. These recommendations were rejected by the BRS on the grounds that workers represented by it deserved larger increases because they were more skilled than most nonshop workers. A strike occurred on May 17. The next day, a joint resolution of Congress, which extended to October 1971, was passed, ending the strike and providing interim adjustments. Talks were resumed and settlement eventually was reached on November 16.

The nonshop moratoriums were to remain in effect through June 30, 1973.

In addition to the above events, two 2-year agreements for improvements in the health and welfare plan were reached for all railroad workers on February 20, 1970, and February 24, 1972. (See table 3 for details.)

January 1971-June 1973 shopcraft agreements. A settlement for the carriers and 90,000 workers represented by the BBF, BRC, IAM, and IBEW was reached on October 7, 1971. The 30-month agreements provided for a 10-cent wage increase retroactive to January 1, 1971, 15 cents for mechanics and 8 cents for others retroactive to April 1, 1971, 5-percent on October 1, 1971, April 1, 1972, and October 1, 1972, and 25 cents on April 1, 1973. The pacts also provided for a 9th paid holiday, a 5th week of vacation after 25 years of service, and agreement in principle for the future establishment of supplemental sick pay benefits paid for by the carriers. The pacts were subject to Pay Board approval, which subsequently was obtained, under the Federal Government's economic stabilization program.

On February 11, 1972, the IBFO, representing about 13,000 workers, reached agreement with the carriers

on a pact providing terms identical to the earlier shopcraft settlements, except that the 15 cents was paid to stationary engineers rather than mechanics. Additionally, employees below \$3.31 an hour were to receive an additional 2 cents and those at \$3.31, an additional 1 cent.

The SMWIA, representing about 6,300 workers, was the last shopcraft organization to reach agreement with the carriers, primarily because of a dispute over the "incidental" work rule (allowing crafts to cross skill lines and perform some work ordinarily done by other crafts) mandated by the previous settlement. The accord, reached on May 12, followed recommendations of a Presidential Emergency Board and was similar to earlier shopcraft agreements. The disputed work rule, although retained, was tightened up to minimize misunderstandings. In addition, the parties agreed to continue a "good faith" effort to solve problems of reclassification of positions and pay adjustment on an individual carrier basis.

The shopcraft moratoriums, as for the nonshop moratoriums, were to remain in effect through June 30, 1973.

The BBF, BRC, IAM, and IBEW served wage and working condition notices on the carriers in November 1970. Changes sought included improvements such as uniform rates of pay; two 20-percent wage increases; and adoption of an escalator clause, longevity pay, attendance incentive pay, shift premiums, and bereavement leave. The carriers in December proposed a new classification of a "general mechanic" who would have the right to perform work of all the shopcrafts (except for IBFO jobs). The carriers also proposed tightening up the holiday rules and a number of other changes.

Direct negotiations resolved some of the organizations' demands, but, in June 1971, the parties jointly requested the NMB to mediate remaining issues such as uniform minimum rates and adjustment of straight-time rates and differentials. Following lengthy mediation, settlement was reached on October 7, 1971, and worker ratification was completed in November.

Separate notices were served independently on the carriers by the IBFO and SMWIA in November 1970. Demands were similar to those of the other shopcrafts, but the SMWIA sought a third wage hike tied to wages in the airline and trucking industries, and elimination of the "incidental" work rule. Carrier counterproposals were those made to other shopcrafts. In November 1971, the IBFO and carriers had requested mediation by the NMB after negotiations had failed to produce an agreement and on February 11, 1972, settlement was finally reached. The SMWIA also had invoked services of the NMB in July 1971 following prolonged and unsuccessful talks, and such services were eventually terminated March 1, 1972, after the SMWIA refused a proffer of arbitration. The SMWIA announced its intention to strike on April 1, 1972, and an Emergency

Board was created on March 31. Its report was submitted to the President on April 30. On May 12, 1972, following a resumption of negotiations, the parties arrived at a settlement similar to terms recommended by the Emergency Board. Worker ratification was completed by June.

On February 24, 1972, the shopcrafts along with the nonshop organizations reached agreement with the carriers on a new 2-year health and welfare plan.

July 1973-December 1974

The 1973-74 round of bargaining was initiated when the various labor organizations served notices on wages, benefits, and work rules beginning in January 1973. Generally, the notices called for wage increases ranging from 10 to 15 percent in each year of a 2-year agreement, establishment of a cost-of-living escalator clause, longevity pay, increased overtime pay, shift premium pay, 3 additional holidays, up to 6 weeks of paid vacation, and a number of other changes.

For the first time in the history of railroad bargaining, the carriers and all of the major railroad labor organizations (including nonoperating and operating unions), with the exception of the SMWIA, engaged in coordinated bargaining through a Joint Negotiating Committee. This committee was created in response to a financial crisis confronting the Railroad Retirement System. Increasingly, more people were receiving benefits relative to the number of workers paying into the system. A recent 20-percent increase in benefits with no accompanying increase in financing also had hurt the system. Financing of the system was discussed throughout the industry and government via various forums. With the serving of wage-rule notices, negotiations on these items were begun, but it soon became obvious that retirement issues should be included in the talks. The pace of negotiations was accelerated because of the need to restructure retirement financing to insure the system's solvency. The labor organizations discussed with the carriers the possibility of finding a new source of income for the system and also proposed that the individual's retirement tax be lowered as well as the retirement age.

The carriers' response was to propose an 18-month moratorium, that the total cost of wages and other benefits (including a greater share of retirement tax to be paid by the carriers) be taken into consideration so that any retirement tax cost would be recognized as part of the carrier's overall labor cost, that the health and welfare contract be extended through December 1974 with an increase in the major medical maximum, that all organizations accept the agreement, and that retirement discussions continue.

On March 8, 1973, an 18-month tentative accord was reached between representatives of the various carriers and 15 labor organizations—well in advance of the June 30 expiration of the moratoriums. For the first time in

many years, all of the organizations and all national issues would have a common moratorium (through December 31, 1974). The parties agreed to a 4-percent general wage increase effective January 1, 1974,²⁴ an extension of the insurance contract through December 1974 with an increase in the major medical lifetime maximum to \$250,000 (from \$50,000), the carriers to pay the amount of the employee's retirement tax that would be over the maximum social security employee tax, retirement at age 60 after 30 years' service without reduction (previously applicable only to women), and carrier payment for and administration of a national dues checkoff system. The retirement changes were subject to legislative approval of Congress—such approval was subsequently obtained. Final agreements were signed on April 23 by all the shopcraft organizations. On May 10, the AFL-CIO's Railway Employees' Department (RED) signed for the BBF, BRC, IBFO, and IBEW. The IAM and SMWIA, however, did not sign.

The IAM contended that it had withdrawn its authorization for the RED to represent it because the RED had exceeded its authority in bargaining. The IAM's objections were that the 4-percent wage hike was too small, that the pact did nothing about subcontracting, and that the pension financing was inadequate. On March 23, 1973, the IAM rejected the settlement. The organization withdrew from the RED. After a prolonged impasse, the carriers filed suit in a Federal district court in December 1973 to have the IAM accept the March 8 settlement. The court ruled that the RED constitution did not allow a member to withdraw representation authority after a bargaining round had begun and that ratification by the other RED members was binding upon the IAM. On March 22, 1974, in compliance with the court order, the IAM signed the March 8, 1973 accord, opting not to appeal the order because it soon would be free to initiate bargaining on July 1 for changes to be effective January 1, 1975.

At the time of the IAM signing, the SMWIA still had not settled with the carriers. Mediation of the dispute had begun on March 12, 1973, after all parties jointly requested the services of the NMB. The SMWIA had withdrawn representation authorization from the RED prior to the start of bargaining and had served separate notices upon the carriers in February 1973. The SMWIA objected to the March 8 accord because it felt that the pact did not protect workers from the rapid rise in living costs—the SMWIA had sought a 16-percent increase in wages and an escalator clause—and also because of inadequate jurisdictional work rules involving the "incidental" work rule. The SMWIA also disaffiliated from the RED after such action by the IAM. During intermittent talks, the carriers insisted that the SMWIA accept the package agreed to by other organizations. Although mediation narrowed the issues in

dispute, agreement on all items could not be achieved. The SMWIA refused a proffer of arbitration and, on May 1, the NMB announced that it was terminating its services. An Emergency Board was appointed on May 21 after workers gave authorization to strike. On August 16, 1974, a memorandum of understanding was signed providing the 4-percent wage hike provided other workers. The Emergency Board had recommended essentially the same terms as provided in earlier settlements in a July 2, 1974, report. The SMWIA, however, opted to accept the wage hike but to defer other issues to the next bargaining round. The understanding did not dispose of the wage issues, but workers were to receive the increase, and in return the SMWIA agreed to continue with negotiations—the incidental work-rule situation was frozen.

In mid-1973, the shopcrafts, the BRS, BMW, and HREU implemented supplemental sick pay plans agreed to earlier which generally provided 70 percent of average straight-time pay (including any Railroad Unemployment Insurance Act payments) for up to 1 year. The programs were to remain in effect through December 31, 1975.

January 1975-December 1977

In July and August of 1974, the major nonoperating organizations served wage-rule and health and welfare notices, respectively, upon the Nation's carriers. Prior to the serving of such notices, most of the organizations had agreed to serve notices individually but to request uniform wage increases and to insist on a cost-of-living clause. Generally, the notices called for a 2-year agreement with wage increase of 20 percent in 1975 and 15 percent in 1976, an escalator clause, uniform minimum rates, shift premium and longevity pay, 3 additional paid holidays, liberalized vacations with up to 6 weeks of vacation, bereavement leave, health plan improvements including adoption of dental and vision care, and revision of job protection agreements. Other items dealt with problems specific to one craft or class of employees such as inequity adjustments, jurisdiction, and subcontracting.

Bargaining on the issues was delayed until November 1974 because labor and management were involved in the development of legislation to restructure the railroad retirement system. Modifications in the system were passed by Congress on October 16. The parties agreed to coordinated bargaining with the understanding that any organization could withdraw and negotiate on its own at any time. The parties began the round of talks by agreeing to put off joint talks on common issues in order to concentrate on potentially costly side

²⁴The wage increase was not applicable to workers for certain insolvent railroads, including the Penn Central and Reading railroads. These carriers preferred to negotiate wages separately for better terms.

issues (jurisdiction, subcontracting, etc.). This complicated attempts at settlement. Although organizations such as the shopcrafts and BRASC were very concerned about side issues, some organizations had made wages their top priority. By the end of November 1974, the carriers felt that they had made enough progress on side issues with a sufficient number of organizations to make their first offer on common issues. The offer included a first-year wage increase of 9 percent and deferred increases of 3 percent each in the second and third years of an agreement plus a limited escalator clause. This offer was rejected, but the offer shifted much of the bargaining activity to common issues.

By early January 1975, side issues had been resolved with the BMW and BRS and common issues were negotiated jointly with these two organizations. The carriers and these organizations had decided to proceed with talks on common items, with the other organizations being free to join the talks when they resolved their individual issues. Tentative 3-year agreements were reached on January 21, 1975, by the carriers and the BMW (for 58,000 workers) and the BRS (for 10,400 workers), which set the pattern for the rest of the industry. The pacts were signed on January 29. They provided for general wage increases of 10 percent on January 1, 1975, 5 percent on October 1, 1975, 3 percent on April 1, 1976, and 4 percent on July 1, 1977; adoption of a cost-of-living escalator clause providing adjustments in January and July of 1976 and 1977 of 1 cent for each 0.4-point change in the Bureau of Labor Statistics' Consumer Price Index for the first three adjustments and for each 0.3-point change for the last adjustment, with periodic incorporations of portions of the allowance into basic rates and subject to maximum adjustments (68 cents overall); and a 10th paid holiday. The moratorium on all issues was to remain in effect through December 31, 1977.

On January 22, the SMWIA reached an agreement with the carriers for 4,800 workers, which ended a 2-year dispute. This pact also was signed on January 29 and provided terms similar to those in the BMW and BRS pacts and, additionally, incorporated terms of settlements reached by the other unions in the 1973 bargaining round but never formally adopted by the SMWIA. The organization, however, had accepted a wage increase in 1974 on an interim basis. The new pact also limited the amount of sheet-metal workers' work performed by carmen under the "incidental" work-rule. Selective strikes scheduled for January 24 were averted by the settlement. This was the only organization free to strike at the time because it technically had been negotiating unresolved issues from the 1973 round and the required procedures under the RLA had been exhausted.

An agreement for about 25,000 IAM workers was signed on March 12. This pact also was similar to the

"pattern" and, in addition, limited subcontracting. Services of the NMB had been requested on January 10, but settlement was reached before a mediator was appointed. The major factor in acceptance of the pact was a new clause restricting unlimited subcontracting. The pact was ratified by early April.

On March 18, an agreement for 3,500 workers was signed by the HREU and Amtrak. The pact was identical to earlier settlements, except that an additional 2 cents was added to hourly rates effective January 1, 1976, in lieu of an additional paid holiday.

The BRASC settled with the carriers for 117,000 workers on July 18, on an agreement similar to the industry pattern, except that an additional cost-of-living adjustment of up to 23 cents was possible effective January 1, 1978 (the day after expiration of the moratorium). Management officials felt that the timing of this adjustment would prevent other organizations from reopening their pacts as they could negotiate this item in the next bargaining round. The pact also provided for a reduction in the number of workers exempted from union membership. The BRASC had invoked services of the NMB on January 10, and mediation sessions were held in February and March. The NMB had proffered arbitration on March 14 which was refused, and its services were terminated on March 18. The carriers were insisting that the BRASC should follow the pattern set by earlier settlements, whereas the BRASC felt that it had the right to bargain on its own members' needs. The BRASC had put emphasis on expanding job stabilization protection to lower seniority workers and on decreasing the number of workers exempted from union membership. The carriers considered the costs of these items too high in that the BRASC would not agree to a wage package less than those of other unions—the BRASC felt that other settlements were inadequate to offset inflation. The BRASC issued a strike call for April 18 and the NMB resumed mediation on April 8. Little progress was made and, on April 16, an Emergency Board was appointed by the President. The Emergency Board recommended on May 23, 1975, that the package for the BRASC be within the framework of earlier settlements but that the 5-percent increase of October 1975 be converted to 31 cents; the July 1977 increase be advanced to February in return for BRASC acceptance of lower entry rates; and also that local handling of the number of workers exempted from union membership (with a suggested reduction in the number of exempted employees) be allowed. The BRASC threatened to strike on June 23 but rescheduled the strike, which would exempt ailing railroads, out of "respect and appreciation for the last-minute efforts" of Federal mediators; to avoid antagonizing Congress which was considering railroad unemployment pay; and also because of the negative effects a walkout would have on certain railroads that were in the process of reorganization. Talks broke down on June 16 but were

resumed 3 days later under the mediation of a Presidential "troubleshooter" and the NMB. An impasse was reached over a new BRASC demand for a 5th escalator adjustment to be effective upon termination of the moratorium and objection by the carriers to the Emergency Board suggestion covering exempt employees. On July 17, the BRASC again agreed to postpone a strike for a week at the request of the mediators, who were then also trying to resolve a postal dispute. The parties reached a tentative agreement on July 18 which was signed July 23. Ratification by the union membership was not necessary.

On December 4, 1975, a settlement was reached by the carriers and the Railway Employees' Department (RED), representing 75,000 members of the BBF, BRC, IBFO, and IBEW. The settlement, which averted a nationwide walkout, completed the industry bargaining round and followed the industry pattern with the exception of the addition of a 3-cent wage increase effective January 1, 1978 (the day after moratorium expiration) for journeymen and mechanics (to eliminate the differential between them and signal mechanics). The agreement also reduced subcontracting by expanding the definition of craft work, reducing the amount of workers furloughed due to subcontracting, and adding penalties payable by carriers to affected railroad employees when advance notice of subcontracting was not properly provided. The four organizations had struck three major railroads in late January 1975 because of a lack of progress in negotiations, and the walkout was ended the next day by a court order based on procedures under the RLA. Carriers had invoked services of the NMB, thereby precluding a strike until mediation failed. The parties then agreed to negotiate until a mediator was appointed, but ceased talks on March 14. Carrier counterproposals were made on March 24 and mediation began on April 1. Talks again bogged down and the NMB terminated its services on August 4 following the refusal of a proffer of arbitration made July 11. The RED members were not objecting to the wage-benefit package of other settlements but were intent upon limiting subcontracting, reducing wage inequities, and obtaining other work-rule changes. The RED issued a strike call for September 4 and the NMB re-

sumed mediation. When the NMB could not resolve the dispute, an Emergency Board was appointed on September 2. On October 10, the Board recommended that a wage inequity between shopcraft mechanics and signal mechanics be remedied without offset in the next bargaining round and that contract language on subcontracting be clarified. The RED had threatened a strike in November but agreed to postpone it pending an interpretation of the Emergency Board's subcontracting recommendation which was delivered to the President on November 26. The RED contended that the "clarification" intended further restrictions, but the Board rejected this contention. A nationwide walkout was scheduled for December 4. The key issue in the dispute was settled when restrictions on subcontracting were tightened up and agreement was reached December 4. Workers ratified the pact on January 12 (no worker ratification was necessary for the IBFO).

The health and welfare talks were conducted concurrently with other negotiations and on October 10, 1975, a 3-year agreement acceptable to all parties was reached. (See table 3 for details.)

In September 1975, the six shopcrafts and BRS served supplemental sickness plan notices jointly upon the carriers proposing extension of the programs through June 30, 1978, increased benefits of up to 80 percent of pay (including any Railroad Unemployment Insurance Act payments), a benefit period of up to 3 years (instead of 1), and coverage after 5 months of compensated service (instead of 7) in a qualifying year. In March 1976, new supplemental sickness plans were agreed to by the shopcrafts, providing increased benefit amounts because of increased pay rates and reducing the compensated service requirement to 5 months. The programs were to remain in effect through June 30, 1978. Notices were served separately by the BMW and HREU and similar agreements were subsequently reached for workers represented by these unions.

The tables on pages 27-70 bring the wage chronology for nonoperating railroad employees up to date through December 31, 1977 (the moratorium expiration date) for wages and supplementary compensation practices.

Major Developments in Railroad Retirement and Unemployment Insurance Systems

Railroad retirement system

The first formal pension plan in the railroad industry was established in 1874.²⁵ By 1927, over 80 percent of all railroad employees worked for employers with pension plans. Only a small proportion of such employees ever received benefits under these plans, however, since credits could not be transferred from one employer to another and employers could terminate the plans at any time. The plans generally paid inadequate benefits and made only limited provision for disability. The plans also were usually under-financed. The depression of the 1930's led railroad labor to press for a national retirement program providing adequate benefits for aged and disabled employees.

Congress enacted legislation for a special railroad retirement system which excluded railroad service from the social security system being planned at the time. The Railroad Retirement Act of 1934 set up the first retirement system for nongovernment workers to be administered by the Federal Government. This act, however, was declared unconstitutional by a Federal district court, and in May 1935 the U.S. Supreme Court upheld the decision on the ground that it appropriated future earnings of the railroads for past services already compensated. In an attempt to avoid the constitutional problems encountered by the 1934 Act, the Railroad Retirement and Carriers' Taxing Acts of 1935 were enacted, but these too were challenged by the carriers. A Federal district court ruled that employers and employees could not be forced to pay a retirement tax. The payment of benefits was not prohibited, however, and the first benefit payments were made in July 1936.

At the request of President Roosevelt, management and labor met to negotiate their differences and a memorandum of agreement was reached which led to the Railroad Retirement Act of 1937 and a companion bill, the Carriers' Taxing Act. These became law in June 1937. After this legislation, there was an immediate reduction in the number of employed and unemployed older workers in the industry. By the end of 1938, the number of workers age 65 or older in active service was less than one-half that of 2 years earlier.

The 1937 Act provided annuities based on creditable railroad earnings and service with a maximum of \$120 a month. Creditable earnings were limited to \$300 a month and no more than 30 years of service could be credited if years before 1937 were included. Annuities could be paid at age 65 or over, regardless of service or on a reduced basis at age 60-64 with 30 years' service. Disability annuities were restricted to total and permanent disability with a full benefit payable after 30 years' service and a reduced benefit payable at age 60-64 with less than 30 years. A survivor could receive a lump sum equal to 4 percent of the employee's creditable earnings after 1936, less any annuities paid. A retiring employee could elect a reduced annuity to provide an annuity to his surviving spouse. Employees on the railroads' private pension rolls were to be transferred to the new system's rolls. The system was financed by a schedule of taxes shared equally by the employer and employee based on a percentage of the first \$300 of monthly compensation (taxable compensation).

Subsequent amendments after 1937 increased benefits a number of times and added features similar to those of the social security system. Amendments enacted in 1946 and 1951 provided for coordination of certain features with the social security system laying the foundation for the present railroad retirement system. The 1946 amendments established survivor benefits similar to those of social security, but higher, with jurisdiction of such benefits coordinated among the two systems, added occupational disability benefits, added a minimum benefit for those with 5 years of service or more, eliminated the reduction in total and permanent disability benefits while easing the requirements for such, and ended the actuarial reduction for women employees. Benefits were increased by amendments in 1948. The 1951 amendments increased benefits, established

²⁵The information contained in this and the following section is largely derived from the *Informational Conference Handbook, 1978*, referred to as the "Blue Book", prepared by the U.S. Railroad Retirement Board.

annuities for wives (and dependent husbands) equal to one-half of the employee's annuity subject to a maximum, provided for social security to assume jurisdiction of railroad workers with less than 10 years' service, added a minimum guarantee that railroad benefits be no less than the benefit or additional benefit payable under social security based on railroad and social security covered service combined, and provided for financial interchange between the two systems to equitably apportion benefit costs and taxes relating to railroad service.

Amendments in 1956 increased benefits, as did the 1959 amendments. The latter also increased the minimum guarantee to 110 percent of what social security would pay for combined service. Provision was made in 1965 to coordinate the railroad retirement system's tax base (taxable compensation) and tax rate with those under social security.

Benefits were increased by 1966 amendments, and a supplemental annuity funded by a special man-hour tax was added for certain long-service employees awarded regular annuities after June 1966. The supplemental annuity legislation resulted from an agreement between management and labor and was designed to make railroad retirement income more comparable to that received by retirees from other industries, such as steel and autos. Although initially provided on a temporary basis, 1970 amendments made the supplemental annuity a permanent feature of the system.

During Congressional hearings in 1970 on a proposed 15-percent increase in benefits, the Chairman of the Railroad Retirement Board expressed concern that the hike would jeopardize the system unless it was adequately financed. Following this testimony, Congress enacted an annuity increase of 15 percent in 1970, on a temporary basis. Congress also directed that a Commission on Railroad Retirement be formed to study the structure of the system and make recommendations on providing adequate benefits on a financially sound basis. While the Commission was studying the problem, Congress legislated temporary increases for 1971 and 1972 of 10 and 20 percent, respectively, following similar increases in social security.

The Commission's report was released in 1972. It recommended four major changes which involved restructuring of the system into two tiers—one being a separate social security benefit and the other a supplemental railroad benefit; phasing out dual railroad-social security benefits while protecting vested rights already acquired; a self-supporting financial plan; and changing benefit formulas to provide more equitable benefits among various types of beneficiaries. Upon release of the report, Congress ordered management and labor to submit a joint report of their own recommendations taking into account the Commission's report.

The Joint Labor-Management Railroad Retirement

Negotiating Committee produced some preliminary recommendations for revising the railroad retirement system which Congress enacted into law in 1973. These amendments reduced the employees' tax rate to the percentage paid by employees under social security with the employer paying the balance, eliminating the actuarial reduction for male employees at least 60 years old with 30 years' service (as previously done for female employees), and "passing through" any social security benefit increases during the 18-month period ending December 31, 1974, to railroad annuities paid under regular formulas. Final recommendations were presented to Congress by management and labor in 1974. These included the "two-tier" formula mentioned earlier with an 8-year grandfather clause to provide a smoother transition from the old formula to the new one, phasing out of dual railroad retirement and social security benefits for those not having vested rights as of December 31, 1974 under both systems and providing an additional "dual benefit windfall" amount for vested employees (although not subject to increases for social security service after 1974 or future social security increases after such an employee's retirement), cost-of-living increases in the Tier-1 component automatically in the same way as for social security and in the Tier-2 component similar to an aluminum industry settlement formula,²⁶ provision of supplemental annuities to employees age 60 with 30 years of service and their spouses, an increase in survivors benefits to 130 percent of the comparable social security benefit, incorporation of the 1970, 1971, and 1972 amendments' benefit increases on a permanent basis, and some financial changes.

These recommendations were reflected in duplicate bills filed in Congress in June 1974. These were amended during Congressional hearings, but retained the fundamental recommendations agreed to by management and labor. Congress acted on the bills in September 1974 and the proposed legislation was sent to the President. The proposed legislation was vetoed, however, primarily because of objection to financing dual benefits "phase-out" costs from general revenues. On October 15 and 16, respectively, the House and Senate overrode the veto and the Railroad Retirement Act of 1974 went into effect on January 1, 1975.

Railroad unemployment insurance system

Unemployment insurance benefits for railroad workers were first provided by various State plans which were established under certain provisions of the Social Security Act of 1935. It soon became obvious that a

²⁶ 1974 settlements in the aluminum industry had provided for automatic cost-of-living escalator adjustments in pension benefits in 1976 and 1977 by an amount equal to 65 percent of any rise in the Bureau of Labor Statistics' Consumer Price Index during the preceding 12 months. Retirement benefits, including social security, were limited to 85 percent of the retiree's average annual earnings for the highest 2 consecutive years.

uniform national plan was needed to correct inequities among the various State laws. At the time, it was possible for employees with identical jobs on the same railroad to receive different treatment and benefits, and employees required to cross State lines might not be eligible for benefits in any of the States in which they worked.

A national unemployment benefit system for railroad workers was established by the Railroad Unemployment Insurance Act of 1938. The program was effective July 1, 1939, and was to be financed by an employer-paid payroll tax. Eligibility requirements were the same as for railroad retirement coverage. Benefits were paid for up to 80 days after a 15-day waiting period according to a schedule which ranged from \$1.75 to \$3 a day, depending upon earnings in a base year.

The following year, the maximum daily rate was increased to \$4 and the maximum duration of benefits was increased to 100 days. The waiting period for benefits was reduced to 7 days and a uniform benefit year was established.

Amendments in 1946 increased the daily maximum to \$5 and increased the duration to up to 130 days. Sickness benefits were established under the system and were calculated in the same manner as for unemployment benefits. Maternity benefits also were established at this time and were payable for up to 116 days at the same rate for unemployment or sickness, except for the first 14 claim days and the 14 days following birth which were paid at 1.5 times that usual rate (making the maximum benefits payable equivalent to the 130 days payable for unemployment and sickness).

The daily benefit rate maximum was raised to \$7.50 and \$8.50 by amendments in 1952 and 1954, respectively. The 1954 amendments also established a daily benefit guarantee of 50 percent of the last daily rate of pay (in a base year), raised the maximum creditable compensation to \$350 a month, and limited total benefits to total base-year compensation.

Amendments of 1959, retroactive to 1958, raised daily benefits to a maximum of \$10.20 and the rate guarantee to 60 percent of the last daily rate of pay (up to the daily benefit maximum). The waiting period for unemployment benefits was removed and benefits became

payable for all days of unemployment over 4 in employee's first registration period. The amendments also established extended unemployment benefits for those who had exhausted normal benefits and had at least 10 years of service, of up to an additional 65 days or up to an additional 130 days, depending on years of service—extended benefits were also provided for employees with less than 10 years' service under certain conditions, but only on a temporary basis. Accelerated benefits also were provided for employees with 10 years of service or more if they qualified for unemployment benefits in the following benefit year but not in current one, so that they could receive benefits early. By the same amendments, maximum creditable compensation was increased to \$400 a month effective in 1959.

Special legislation enacted in 1961 provided temporary extended unemployment benefits under certain conditions for those who had exhausted normal benefits and permanent extended benefits.

1968 amendments increased the maximum daily benefit to \$12.70 and established extended and accelerated sickness benefits on the same basis as permanent extended and accelerated unemployment benefits. Additionally, maternity benefits were replaced as such by regular sickness benefits for those unable to work because of pregnancy or childbirth.

Amendments enacted in 1975 modified the benefit structure significantly as well as benefit levels as a result of joint recommendations by management and labor. The new daily benefit rate calculation for unemployment and sickness provided an amount equal to 60 percent of an employee's last daily base year rate of pay with a daily benefit minimum of \$12.70 (the old maximum) and a maximum of \$24 (increased to \$25 in 1976). This legislation also made allowance for the payment of sickness benefits for all days of sickness after an initial 4 consecutive days in an employee's first registration period, and provided extended unemployment benefits for less-than-10-year employees during "periods of high unemployment". Such periods become effective when either the railroad rate or the national insured rate reaches and maintains a specified level (currently 4.5 percent).

Table 1. General wage changes,¹ 1920-62

| Effective date | Provision | Applications, exceptions, and other related matters |
|---|---|--|
| <p>May 1, 1920 (Decision 2, Railroad Labor Board, dated July 20, 1920).</p> | <p>Increases averaging about 22 percent.</p> | <p>Increases varied among the operating departments and by occupation within the departments as follows: <i>Clerical and station employees</i>—13 cents an hour for most occupations; 12 cents for team track freight handlers and truckers; 10 cents for janitors, elevator operators, watchmen, etc.; 8.5 cents for common laborers; 6.5 cents for clerks with less than 1 year's experience; 5 cents for office boys, messengers, etc. <i>Maintenance of way employees</i>—15 cents an hour for most occupations; 10 cents for shop and roundhouse laborers; 8.5 cents for occupations with the largest proportion of employees, including helpers, track laborers, common laborers, crossing watchmen, drawbridge tenders, pile driver firemen, etc. <i>Shop employees</i>—13 cents an hour for most occupations; 5 cents for car cleaners. <i>Stationary engine and boiler employees</i>—13 cents an hour for most occupations; 10 cents for water tenders and coal passers. <i>Signal employees</i>—13 cents an hour for most employees; 10 cents for helpers. <i>Telegraphers and agents</i>—10 cents an hour for most occupations; 5 cents for agents in nontelegraph stations.</p> |
| <p>July 1, 1921 (Decision 147, Railroad Labor Board, dated June 1, 1921).</p> | <p>Decreases averaging about 12 percent.</p> | <p>Decision 147 originally applied to 72 railroads. Subsequent to June 1, other railroads, not parties to the original proceedings, applied to the Board for the same reductions and awards were made in the form of additions to the original decision. The decreases varied among the operating departments and by occupation within the departments as follows: <i>Clerical and station employees</i>—6 cents an hour for a large group of occupations; 13 cents for clerks with 1 but less than 2 years' experience; 10 cents for crew callers, train announcers, gatemen, janitors, elevator operators, watchmen, etc.; 8.5 cents for common laborers; 6.5 cents for clerks with less than 1 year's experience; 5 cents for office boys, messengers, etc. Differentials between truckers and certain other classes maintained. <i>Maintenance of way employees</i>—10 cents an hour for some occupations; 8.5 cents for track laborers, common laborers, crossing watchmen, drawbridge tenders, pile drivers, etc.; 7.5 cents for helpers. <i>Shop employees</i>—8 cents an hour for most occupations; car cleaners to receive 2 cents above track laborer rate. <i>Stationary engine and boiler employees</i>—8 cents an hour for most occupations; 6 cents for water tenders and coal passers. <i>Signal employees</i>—8 cents an hour for most occupations; 6 cents for helpers. <i>Telegraphers and agents</i>—6 cents an hour for most occupations; 5 cents for agents in nontelegraph stations.</p> |
| <p>July 1, 1922 (Railroad Labor Board decisions as noted).</p> | <p>Decreases averaging about 5 percent.</p> | <p>Three Railroad Labor Board decisions, relating to different groups of employees, were as follows:² Decision 1028, dated May 25, 1922: <i>Maintenance of way employees</i>—5 cents an hour for most occupations; 4 cents for mechanics; 3 cents for track foremen and assistant track foremen; 1 cent for mechanics' helpers. Decision 1036, dated June 5, 1922: <i>Shop employees</i>—7 cents an hour for most occupations; 9 cents for freight carmen; 5 cents for car cleaners. Decision 1074, dated June 10, 1922: <i>Clerical and station employees</i>—3 and 4 cents an hour. <i>Stationary engine and boiler employees</i>—2 cents an hour. <i>Signal employees</i>—5 cents an hour for most occupations; 6 cents for helpers.</p> |
| <p>1923 to 1932</p> | <p>During this period, negotiations were conducted with individual railroads by most of the railroad nonoperating employee organizations. The shop crafts bargained on individual roads as a group. There was not sufficient uniformity in the level or timing of the general wage increases negotiated during this period to permit presentation within the format of a wage chronology.</p> | |

See footnotes at end of table.

Table 1. General wage changes,¹ 1920-62—Continued

| Effective date | Provision | Applications, exceptions, and other related matters | | | | | | | | | | | | | | | | |
|---|---|--|----------------------------------|-------------------------|--------------------|----|---------------------------|---|---------------------------|---|---------------------------|---|---------------------------|---|---------------------------|---|-------------------|---|
| Feb. 1, 1932 (agreement dated Jan. 31, 1932). | 10 percent <i>decrease</i> in earnings. | Decrease in the form of a deduction from employees' earnings, with no change in basic wage rates. Agreement to terminate Feb. 1, 1933. | | | | | | | | | | | | | | | | |
| Dec. 21, 1932 (agreement of same date). | | Earnings deduction extended to Oct. 31, 1933. | | | | | | | | | | | | | | | | |
| June 21, 1933 (agreement of same date). | | Earnings deduction extended to June 30, 1934. | | | | | | | | | | | | | | | | |
| July 1, 1934 (agreement dated Apr. 26, 1934). | Part of deduction rescinded; earnings reduction changed to 7.5 percent. | | | | | | | | | | | | | | | | | |
| Jan. 1, 1935 (agreement dated Apr. 26, 1934). | Part of deduction rescinded; earnings reduction changed to 5 percent. | | | | | | | | | | | | | | | | | |
| Apr. 1, 1935 (agreement dated Apr. 26, 1934). | Earnings deduction eliminated. | | | | | | | | | | | | | | | | | |
| Aug. 1, 1937 (mediation agreement dated Aug. 5, 1937). | 5 cents an hour increase. | Daily, weekly, monthly, and piecework rates increased an equivalent amount. General increase applied so as to produce the same increase for all employees irrespective of the method of payment. | | | | | | | | | | | | | | | | |
| Dec. 1, 1941 (mediation agreement dated Dec. 15, 1941). | 10 cents an hour increase ³ | 9 cents an hour retroactive to Sept. 1, 1941. Minimum rate of 46 cents an hour established (minimum of 45 cents retroactive to Sept. 1, 1941), subject to reasonable deductions for board, lodging, or other facilities furnished to the extent deductions were made on Aug. 31, 1941, by employer and permissible under the Fair Labor Standards Act. ⁴ | | | | | | | | | | | | | | | | |
| Feb. 1, 1943 (agreement dated Jan. 17, 1944). | 4 to 10 cents an hour increase ³ | This and a further increase, effective Dec. 27, 1943, approved by Economic Stabilization Director, Jan. 18, 1944. Increases varied by hourly rate range as follows: | | | | | | | | | | | | | | | | |
| | | <table border="0"> <thead> <tr> <th data-bbox="946 762 1170 782"><i>Hourly rate range (cents)</i></th> <th data-bbox="1291 762 1442 782"><i>Increase (cents)</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="908 782 1019 802">Less than 47</td> <td data-bbox="1351 782 1381 802">10</td> </tr> <tr> <td data-bbox="908 802 1019 822">47 but less than 57</td> <td data-bbox="1351 802 1366 822">9</td> </tr> <tr> <td data-bbox="908 822 1019 842">57 but less than 70</td> <td data-bbox="1351 822 1366 842">8</td> </tr> <tr> <td data-bbox="908 842 1019 862">70 but less than 80</td> <td data-bbox="1351 842 1366 862">7</td> </tr> <tr> <td data-bbox="908 862 1019 883">80 but less than 90</td> <td data-bbox="1351 862 1366 883">6</td> </tr> <tr> <td data-bbox="908 883 1019 903">90 but less than 97</td> <td data-bbox="1351 883 1366 903">5</td> </tr> <tr> <td data-bbox="908 903 1019 923">97 and over</td> <td data-bbox="1351 903 1366 923">4</td> </tr> </tbody> </table> | <i>Hourly rate range (cents)</i> | <i>Increase (cents)</i> | Less than 47 | 10 | 47 but less than 57 | 9 | 57 but less than 70 | 8 | 70 but less than 80 | 7 | 80 but less than 90 | 6 | 90 but less than 97 | 5 | 97 and over | 4 |
| <i>Hourly rate range (cents)</i> | <i>Increase (cents)</i> | | | | | | | | | | | | | | | | | |
| Less than 47 | 10 | | | | | | | | | | | | | | | | | |
| 47 but less than 57 | 9 | | | | | | | | | | | | | | | | | |
| 57 but less than 70 | 8 | | | | | | | | | | | | | | | | | |
| 70 but less than 80 | 7 | | | | | | | | | | | | | | | | | |
| 80 but less than 90 | 6 | | | | | | | | | | | | | | | | | |
| 90 but less than 97 | 5 | | | | | | | | | | | | | | | | | |
| 97 and over | 4 | | | | | | | | | | | | | | | | | |
| Dec. 27, 1943 (agreement dated Jan. 17, 1944). | 1 to 5 cents an hour increase ³ | Designated by parties as amount due in lieu of overtime after 40 hours a week. 1 cent an hour for employees receiving 8, 9, and 10 cents an hour increase effective Feb. 1, 1943, 2 cents for those receiving 7 cents, 3 cents for those receiving 6 cents, 4 cents for those receiving 5 cents, and 5 cents for those receiving 4 cents. | | | | | | | | | | | | | | | | |
| Jan. 1, 1946 (decision of Board of Arbitration, dated Apr. 3, 1946). | 16 cents an hour increase. ³ | | | | | | | | | | | | | | | | | |
| May 22, 1946 (agreement dated May 25, 1946). | 2.5 cents an hour increase. ³ | | | | | | | | | | | | | | | | | |
| Sept. 1, 1947 (decision of Board of Arbitration, dated Sept. 2, 1947). | 15.5 cents an hour increase. ³ | | | | | | | | | | | | | | | | | |
| Oct. 1, 1948 (Referee's decision of Mar. 13 and agreement dated Mar. 19, 1949). ⁵ | 7 cents an hour increase. ³ | | | | | | | | | | | | | | | | | |
| Sept. 1, 1949 (agreement dated Mar. 19, 1949, in accordance with referee's decision of Mar. 13, 1949). ⁵ | 20 percent increase, averaging 23.5 cents an hour. ³ | Increase applied to rates in effect Sept. 30, 1948. Amount agreed to as necessary to maintain weekly earnings on reduction of workweek from 48 to 40 hours. Applied to all hourly and daily rates and all hourly and daily differentials, arbitraries, and special allowances. Not applicable to weekly and monthly rates based on a 6-day week. Agreement provided detailed formulas for converting earnings of weekly and monthly rated employees in the various crafts. | | | | | | | | | | | | | | | | |
| Feb. 1, 1951 (agreement dated Mar. 1, 1951). | 12.5 cents an hour increase ³ | Agreement provided for quarterly cost-of-living adjustments of 1 cent an hour for each 1-point change in the Bureau of Labor Statistics Consumer Price Index above the level of 178.0 (1935-39 = 100). ⁶ | | | | | | | | | | | | | | | | |
| Apr. 1, 1951 | 6 cents an hour increase . | Quarterly adjustment of cost-of-living allowance. | | | | | | | | | | | | | | | | |
| July 1, 1951 | 1 cent an hour increase . | Do. | | | | | | | | | | | | | | | | |
| Oct. 1, 1951 | No change . | Quarterly review of cost-of-living allowance. | | | | | | | | | | | | | | | | |
| Jan. 1, 1952 | 4 cents an hour increase . | Quarterly adjustment of cost-of-living allowance. | | | | | | | | | | | | | | | | |
| Apr. 1, 1952 | 1 cent an hour <i>decrease</i> . | Do. | | | | | | | | | | | | | | | | |
| July 1, 1952 | 2 cents an hour increase . | Do. | | | | | | | | | | | | | | | | |
| Oct. 1, 1952 | 2 cents an hour increase . | Do. | | | | | | | | | | | | | | | | |

See footnotes at end of table.

Table 1. General wage changes,¹ 1920-62—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|---|---|
| Dec. 1, 1952 (referee's memorandum and award dated Mar. 18, 1953). | 4 cents an hour increase. ⁷ | |
| Jan. 1, 1953 | 1 cent an hour <i>decrease</i> . | Quarterly adjustment of cost-of-living allowance. |
| Apr. 1, 1953 | 3 cents an hour <i>decrease</i> . | Do. |
| July 1, 1953 | No change . | Quarterly review of cost-of-living allowance. |
| Oct. 1, 1953 | 3 cents an hour increase. | Quarterly adjustment of cost-of-living allowance. |
| Jan. 1, 1954 | No change . | Quarterly review of cost-of-living allowance. |
| Apr. 1, 1954 | No change . | Do. |
| July 1, 1954 | No change . | Do. |
| Oct. 1, 1954 | No change . | Do. |
| Dec. 3, 1954 (agreement of same date). | ..... | Cost-of-living escalator provision discontinued and allowance (13 cents) incorporated into basic rates. |
| Dec. 1, 1955 (agreement dated Dec. 21, 1955). | 14.5 cents an hour increase. ³ | |
| Nov. 1, 1956 (agreement of same date). | 10 cents an hour increase. ³ | Agreement provided for semiannual cost-of-living adjustments of 1 cent an hour for each 0.5-point change in the BLS Consumer Price Index above the level of 117.1 (1947-49 = 100). ⁸ |
| May 1, 1957 | 3 cents an hour increase . | The agreement also provided deferred increases of 7 cents an hour effective Nov. 1, 1957 and 1958. |
| Nov. 1, 1957 (agreement dated Nov. 1, 1956). | 7 cents an hour increase ³ | Semiannual adjustment of cost-of-living allowance. |
| Nov. 1, 1957 | 5 cents an hour <i>Increase</i> . | Deferred increase. |
| May 1, 1958 | 4 cents an hour increase . | Semiannual adjustment of cost-of-living allowance. |
| Nov. 1, 1958 (agreement dated Nov. 1, 1956). | 7 cents an hour increase. ³ | Do. |
| Nov. 1, 1958 | 1 cent an hour increase . | Deferred increase. |
| May 1, 1959 | No change . | Semiannual adjustment of cost-of-living allowance. |
| Nov. 1, 1959 | 3 cents an hour increase. | Semiannual review of cost-of-living allowance. |
| May 1, 1960 | 1 cent an hour increase. | Semiannual adjustment of cost-of-living allowance. |
| July 1, 1960 (agreement dated Aug. 19, 1960). | 5 cents an hour increase. ³ | Do. |
| Feb. 1, 1962 (agreement dated June 5, 1962). | 4 cents an hour increase. ³ | Cost-of-living escalator provision discontinued and allowance (17 cents) incorporated into basic rates. |
| May 1, 1962 (agreement of above date). | 6.28 cents an hour increase. ³ | |

¹ General wage changes are upward or downward adjustments affecting a substantial number of workers at one time. Not included are adjustments in individual rates (promotions, length-of-service increases, etc.) and adjustments in wage structure that do not have an immediate and noticeable effect on the average wage level.

The changes listed are the major adjustments in wage rates made during the period covered. Because of fluctuations in earnings occasioned by changes in classification systems and other factors, the total of the general changes listed will not necessarily coincide with the changes in straight-time average hourly earnings over the period.

² Subsequent decisions dealt primarily with individual railroads.

³ Daily, weekly, and monthly rates were adjusted by the same hourly amount as the general wage change, and piecework rates were adjusted by an equivalent amount; thus all employees received the equivalent of the hourly adjustment regardless of the method of pay. Fixed rates, paid for all services rendered, were adjusted to give effect to the number of hours used in establishing these rates and to equivalent hours for the special allowances included in them. Special allowances, not included in the fixed rates of pay, were not adjusted.

⁴ This provision was included in all subsequent agreements.

⁵ See also Dec. 17, 1948, report of Emergency Board, No. 66.

⁶ The agreement provided cost-of-living adjustments effective Apr. 1, July 1, Oct. 1, and Jan. 1, based on the BLS Consumer Price Index for the months of February, May, August, and November as follows:

| <i>Consumer Price Index</i> (1935-39 = 100) | <i>Cost-of-living allowance</i> |
|--|---------------------------------|
| 178.0 and less than 179.0 | None. |
| 179.0 and less than 180.0 | 1 cent an hour. |

| | |
|---|------------------|
| 180.0 and less than 181.0 | 2 cents an hour. |
| 181.0 and less than 182.0 | 3 cents an hour. |
| and so forth, with corresponding 1-cent-an-hour adjustments for each 1-point change in the index. | |

By agreement of Sept. 16, 1953, the parties converted to the revised BLS Consumer Price Index (1947-49 = 100), using a new lower limit of 107.0, and a 1-cent-an-hour adjustment for each 0.6-point change in the index.

⁷ The Mar. 1, 1951, agreement permitted a reopening only if the Government's wage stabilization policy permitted annual improvement wage increases and provided for discussions by the parties on this subject. If the parties were unable to agree that such an increase was permissible, the President of the United States was authorized to appoint a referee to decide the matter. A referee appointed by the President decided that annual improvement increases were permissible under the existing stabilization policies and after a separate hearing on whether an increase was justified in this case, handed down the award indicated.

⁸ The agreement provided cost-of-living adjustments effective May 1 and Nov. 1, based on the BLS Consumer Price Index for the months of March and September, as follows:

| <i>Consumer Price Index</i> (1947-49 = 100) | <i>Cost-of-living allowance</i> |
|---|---------------------------------|
| 117.1 and less than 117.6 | None. |
| 117.6 and less than 118.1 | 1 cent an hour. |
| 118.1 and less than 118.6 | 2 cents an hour. |
| 118.6 and less than 119.1 | 3 cents an hour. |
| and so forth, with 1-cent-an-hour adjustments for each 0.5-point change in the index. | |

Table 2. General wage changes,¹ 1964-77

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters | |
|----------------|---|--------------------|-----------|-----------|-----------|---|---|---|---|---|--|--|--|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | | |
| Jan. 1, 1964 | May 1, 1964—BRS; Nov. 20, 1964—BMWE, BRASC, HREU, ORT; Nov. 21, 1964—BBF, BRC, IBFO; Feb. 4, 1965—SMWIA, IAM, IBEW. | 9 cents | 9 cents | 9 cents | 9 cents | 10 cents signalmen, signal maintainers, mechanics; 6 cents others | 9 cents | 9 cents | 9 cents | 9 cents | 6 cents regular apprentices, 9 cents others | 6 cents regular apprentices, 9 cents others | 6 cents regular apprentices, 9 cents others | Initial increases provided by agreements which also provided additional increases effective Jan. 1, 1965 and Jan. 1, 1966 except for BRS agreement. |
| Jan. 1, 1965 | Nov. 20, 1964—BMWE, BRASC, HREU, ORT; Nov. 21, 1964—BBF, BRC, IBFO; Dec. 29, 1964 (letter)—BRS; Feb. 4, 1965—SMWIA, IAM, IBEW. | 9 cents | 9 cents | 9 cents | 9 cents | 10 cents signalmen, signal maintainers, mechanics; 6 cents others | 9 cents | 9 cents | 9 cents | 9 cents | 4 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | 4 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | 4 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | BRS—letter of agreement also provided deferred increase effective Jan. 1, 1966. |
| Jan. 1, 1966 | Nov. 20, 1964—BMWE, BRASC, HREU, ORT; Nov. 21, 1964—BBF, BRC, IBFO; Dec. 29, 1964 (letter)—BRS; Feb. 4, 1965—SMWIA, IAM, IBEW. | 9 cents | 9 cents | 9 cents | 9 cents | 10 cents signalmen, signal maintainers, mechanics; 6 cents others | 9 cents | 9 cents | 9 cents | 9 cents | 3.5 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | 3.5 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | 3.5 percent mechanics; 9 cents helpers and helpers' apprentices; 6 cents regular apprentices | |
| Jan. 1, 1967 | Dec. 15, 1966—BRASC; Jan. 13, 1967—BMWE, HREU, TCE, BRS; Sept. 15, 1967—BBF, BRC, IBFO, SMWIA, IAM, IBEW. | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 6 percent | 6 percent | 6 percent | 6 percent | 6 percent | 6 percent | 6 percent | BMWE, HREU, TCE, BRS—agreement also provided deferred increase effective Jan. 1, 1968. BBF, BRC, IBFO, SMWIA, IAM, IBEW—award of special board appointed pursuant to Public Law 90-54 which also provided additional increases effective Apr. 1, 1967, Oct. 1, 1967, Apr. 1, 1968, July 1, 1968, and Oct. 1, 1968. |
| Apr. 1, 1967 | Sept. 15, 1967—BBF, BRC, IBFO, SMWIA, IAM, IBEW. | — | — | — | — | — | 5 cents journeymen and mechanics | 5 cents journeymen and mechanics | 5 cents journeymen and mechanics | |
| Oct. 1, 1967 | Sept. 15, 1967—BBF, BRC, IBFO, SMWIA, IAM, IBEW. | — | — | — | — | — | 5 cents journeymen and mechanics | 5 cents journeymen and mechanics | 5 cents journeymen and mechanics | |

See footnotes at end of table.

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters |
|----------------|--|--------------------|-------------|-------------|-------------|---|---|---|---|---|---|---|--|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | |
| Jan. 1, 1968 | Jan. 13, 1967— BMW, HREU, TCE, BRS; Dec. 28, 1967— BRASC. | 2.5 percent | 2.5 percent | 2.5 percent | 2.5 percent | 2.5 percent | — | — | — | — | — | — | BRASC—in addition, Classification and Evaluation Fund established equivalent to 5-cent-an-hour average to be allocated by July 1, 1968 to higher-rated and higher-skilled workers. Agreement also provided deferred increases effective July 1, 1968, Jan. 1, 1969, and July 1, 1969. |
| Apr. 1, 1968 | Sept. 15, 1967— BBF, BRC, IBFO, SMWIA, IAM, IBEW. | — | — | — | — | — | 5 cents journeymen and mechanics | |
| July 1, 1968 | Sept. 15, 1967— BBF, BRC, IBFO, SMWIA, IAM, IBEW; Dec. 28, 1967— BRASC; May 17, 1968— BMW, HREU; June 24, 1968— TCE; Apr. 21, 1969— BRS. | 3.5 percent | 3.5 percent | 3.5 percent | 3.5 percent | 3.5 percent all, follow- ing applica- tion of 22 cents for mechanics and higher- rated workers and 9 cents all others | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | BMW, HREU—in addition, Classification and Evaluation Funds established equivalent to 5-cent-an-hour average to be allocated to higher-rated and higher-skilled maintenance of way (BMW) workers and to reduce basic work month for dining car (HREU) workers without change in basic monthly pay. Agreement also provided deferred increases effective Jan. 1, 1969 and July 1, 1969. TCE—in addition, Classification and Evaluation Fund established equivalent to 5-cent-an-hour average to be allocated to higher-rated and higher-skilled workers. Agreement also provided deferred increases effective Jan. 1, 1969 and July 1, 1969. BRS—agreement also provided additional increases effective Jan. 1, 1969 and July 1, 1969. |
| Oct. 1, 1968 | Sept. 15, 1967— BBF, BRC, IBFO, SMWIA, IAM, IBEW. | — | — | — | — | — | 5 cents journeymen and mechanics | |
| Jan. 1, 1969 | Dec. 28, 1967— BRASC; May 17, 1968— BMW, HREU; June 24, 1968— TCE; Apr. 21, 1969— BRS; Apr. 9, 1970— BBF, SMWIA, IAM, IBEW; Apr. 24, 1970— BRC; June 12, 1970— IBFO. | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | 2 percent | BBF and BRC—by agreement dated Jan. 9, 1969, boiler-makers, blacksmiths, carmen, and regular apprentices were to have their wage rates equalized with the rates of pay of sheet metal workers, electricians, and machinists effective Jan. 1, 1969 prior to the application of the 2 percent increase. This resulted in additional increases for BBF and BRC workers, except in the case of regular apprentices who experienced a net decrease. |

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | Applications, exceptions and other related matters | | |
|------------------------|--|--------------------|-----------|-----------|-----------|-----------|--|--|--|--|--|--|------|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | | IBEW | |
| Jan. 1, 1969—continued | | | | | | | | | | | | | | BBF, BRC, IBFO, SMWIA, IAM, IBEW—agreements provided that hourly rates of pay for all hourly-rated workers be rounded up to the next whole cent prior to the Jan. 1, 1969 2-percent adjustment. In determining future percentage adjustments, the increase was to be rounded to the nearest whole cent. BBF, SMWIA, IAM, IBEW—by Public Law 91-226. Agreement also provided additional increases effective July 1, 1969, Sept. 1, 1969, Jan. 1, 1970, Feb. 19, 1970, Apr. 1, 1970, and Aug. 1, 1970. BRC—agreement also provided additional increases effective July 1, 1969, Sept. 1, 1969, Jan. 1, 1970, Apr. 1, 1970, Apr. 24, 1970, and Aug. 1, 1970. IBFO—agreement also provided additional increases effective July 1, 1969, Sept. 1, 1969, Jan. 1, 1970, Apr. 1, 1970, and Aug. 1, 1970. |
| July 1, 1969 | Dec. 28, 1967—BRASC; May 17, 1968—BMWE, HREU; June 24, 1968—TCE ³ ; Apr. 21, 1969—BRS; Apr. 9, 1970—BBF, SMWIA, IAM, IBEW; Apr. 24, 1970—BRC; June 12, 1970—IBFO. | 3 percent | 3 percent | 3 percent | 3 percent | 3 percent | 3 percent all, plus 5 cents journeymen and mechanics | 3 percent all, plus 5 cents journeymen and mechanics | 3 percent all, plus 5 cents journeymen and mechanics | 3 percent all, plus 5 cents journeymen and mechanics | 3 percent all, plus 5 cents journeymen and mechanics | 3 percent all, plus 5 cents journeymen and mechanics | | |
| Sept. 1, 1969 | Apr. 9, 1970—BBF, SMWIA, IAM, IBEW; Apr. 24, 1970—BRC; June 12, 1970—IBFO. | — | — | — | — | — | 10 cents | 10 cents | 5 cents | 10 cents | 10 cents | 10 cents | | |

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters | |
|----------------|--|--------------------|-----------|-----------|------------------|--|----------------------------------|----------------------------------|--|----------------------------------|----------------------------------|----------------------------------|--|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | | |
| Jan. 1, 1970 | Apr. 9, 1970— BBF, SMWIA, IAM, IBEW; Apr. 24, 1970— BRC; June 12, 1970— IBFO; Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Nov. 16, 1971— BRS. | 5 percent | 5 percent | 5 percent | (³) | 5 percent | 5 percent | 5 percent | 5 cents applied to previous rates plus 5 percent | 5 percent | 5 percent | 5 percent | BMW, HREU—agreement also provided additional increases effective Nov. 1, 1970, Apr. 1, 1971, Oct. 1, 1971, Apr. 1, 1972, Oct. 1, 1972, and Apr. 1, 1973. BRASC—agreement also provided additional increases effective Nov. 1, 1970, Apr. 1, 1971, Oct. 1, 1971, Apr. 1, 1972, Oct. 1, 1972, Jan. 1, 1973, and Apr. 1, 1973. BRS—agreement also provided for additional increases effective Nov. 1, 1970, Jan. 1, 1971, Apr. 1, 1971, Oct. 1, 1971, Apr. 1, 1972, Oct. 1, 1972, and Apr. 1, 1973. | |
| Feb. 19, 1970 | Apr. 9, 1970— BBF, SMWIA, IAM, IBEW. | — | — | — | — | — | 7 cents journeymen and mechanics | — | — | 7 cents journeymen and mechanics | 7 cents journeymen and mechanics | 7 cents journeymen and mechanics | | |
| Apr. 1, 1970 | Apr. 9, 1970— BBF, SMWIA, IAM, IBEW; Apr. 24, 1970— BRC; June 12, 1970— IBFO. | — | — | — | — | — | 4 cents | 4 cents | 4 cents | 4 cents | 4 cents | 4 cents | | |
| Apr. 24, 1970 | Apr. 24, 1970— BRC. | — | — | — | — | — | — | 7 cents journeymen and mechanics | — | — | — | — | | |
| Aug. 1, 1970 | Apr. 9, 1970— BBF, SMWIA, IAM, IBEW; Apr. 24, 1970— BRC; June 12, 1970— IBFO. | — | — | — | — | — | 4 cents | 4 cents | 4 cents | 4 cents | 4 cents | 4 cents | | |
| Nov. 1, 1970 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Nov. 16, 1971— BRS. | 32 cents | 32 cents | 32 cents | (³) | 30 cents mechanics and higher-rated workers; 18 cents others | — | — | — | — | — | — | | |
| Jan. 1, 1971 | Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | — | — | — | — | 10 cents | 10 cents | 10 cents | 10 cents | 10 cents | 10 cents | 10 cents | | BBF, BRC, IBFO, SMWIA, IAM, IBEW—agreement also provided additional increases effective Apr. 1, 1971, Oct. 1, 1971, Apr. 1, 1972, Oct. 1, 1972, and Apr. 1, 1973. |
| | | | | | | | | | | | | | | |

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters |
|----------------|---|--------------------|-----------|-----------|------------------|---|--|--|--|--|--|--|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | |
| Apr. 1, 1971 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | 4 percent | 4 percent | 4 percent | (³) | 15 cents mechanics and higher-rated workers; 8 cents others | 15 cents journeymen and mechanics; 8 cents others | |
| Oct. 1, 1971 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | 5 percent | 5 percent | 5 percent | (³) | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | |
| Apr. 1, 1972 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | 5 percent | 5 percent | 5 percent | (³) | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | |
| Oct. 1, 1972 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | 5 percent | 5 percent | 5 percent | (³) | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | |
| Jan. 1, 1973 | Feb. 25, 1971— BRASC. | 15 cents | — | — | (³) | — | — | — | — | — | — | — | |

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters |
|----------------|---|--------------------|------------|------------|------------------|------------|------------|------------|------------|------------|------------|------------|--|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | |
| Apr. 1, 1973 | Feb. 10, 1971— BMWE, HREU; Feb. 25, 1971— BRASC; Oct. 7, 1971— BBF, BRC, IAM, IBEW; Nov. 16, 1971— BRS; Feb. 11, 1972— IBFO; May 12, 1972— SMWIA. | 10 cents | 25 cents | 25 cents | (³) | 25 cents | 25 cents | 25 cents | 25 cents | 25 cents | 25 cents | 25 cents |
| Jan. 1, 1974 | Apr. 27, 1973— BRASC, BMWE, HREU, BRS; May 10, 1973— BBF, BRC, IBFO, IBEW; May 22, 1974— IAM; Jan. 29, 1975— SMWIA. | 4 percent | 4 percent | 4 percent | (³) | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | |
| Jan. 1, 1975 | Jan. 29, 1975— BMWE, BRS, SMWIA; Mar. 12, 1975— IAM; July 23, 1975— BRASC; Dec. 4, 1975— BBF, BRC, IBFO, IBEW; Mar. 18, 1975— HREU. | 10 percent | 10 percent | 10 percent | (³) | 10 percent | 10 percent | 10 percent | 10 percent | 10 percent | 10 percent | 10 percent | Agreements also (1) provided additional increases effective Oct. 1, 1975, Apr. 1, 1976, and July 1, 1977, and (2) re-established a cost-of-living escalator clause providing for 4 semiannual adjustments in Jan. and July based on Consumer Price Indexes for Sept. and Mar., respectively (the BRASC pact provided a 5th adjustment effective Jan. 1, 1978) beginning Jan. 1, 1976 calculated (a) for the 1st 3 adjustments, at 1 cent for each 0.4-point change in the Bureau of Labor Statistics' Consumer Price Index (1967 = 100) over the CPI for March 1975 but not more than the maximum allowed ⁴ and (b) for the 4th adjustment, 1 cent for each 0.3-point change between the CPI's for Sept. 1976 and Mar. 1977 up to specified maximum, ⁴ and (c) in the case of the 5th adjustment for BRASC workers, of 1 cent for each 0.3-point change in the CPI for Sept. 1977 over that for Mar. 1977 (maximum 23 cents). Portions of the accumulated cost-of-living allowance were to be incorporated into basic rates on Dec. 31, 1976, June 30, 1977, and Dec. 31, 1977. ⁵ |

Table 2. General wage changes,¹ 1964-77

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters |
|----------------|--|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | |
| Oct. 1, 1975 | Jan. 29, 1975— BMWE, BRS, SMWIA; Mar. 12, 1975— IAM; July 23, 1975— BRASC; Dec. 4, 1975— BBF, BRC, IBFO, IBEW; Mar. 18, 1975— HREU. | 5 percent | 5 percent | 5 percent | (3) | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | 5 percent | |
| Jan. 1, 1976 | — | 12 cents | 12 cents | 12 cents | (3) | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | Cost-of-living adjustment, the maximum permitted by the formula. |
| Apr. 1, 1976 | Jan. 29, 1975— BMWE, BRS, SMWIA; Mar. 12, 1975— IAM; July 23, 1975— BRASC; Dec. 4, 1975— BBF, BRC, IBFO, IBEW; Mar. 18, 1975— HREU. | 3 percent | 3 percent | 3 percent | (3) | 3 percent | 3 percent | 3 percent | 3 percent | 3 percent | 3 percent | 3 percent |
| July 1, 1976 | — | 12 cents | 12 cents | 12 cents | (3) | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | 12 cents | Semiannual adjustment of cost-of-living allowance. |
| Dec. 31, 1976 | — | — | — | — | — | — | — | — | — | — | — | — | 18 cents of accumulated cost-of-living allowance incorporated into basic rates. |
| Jan. 1, 1977 | — | 13 cents | 13 cents | 13 cents | (3) | 13 cents | 13 cents | 13 cents | 13 cents | 13 cents | 13 cents | 13 cents | Semiannual adjustment of cost-of-living allowance. |
| June 30, 1977 | — | — | — | — | — | — | — | — | — | — | — | — | 6 cents of accumulated cost-of-living allowance incorporated into basic rates. |
| July 1, 1977 | Jan. 29, 1975— BMWE, BRS, SMWIA; Mar. 12, 1975— IAM; July 23, 1975— BRASC; Dec. 4, 1975— BBF, BRC, IBFO, IBEW; Mar. 18, 1975— HREU. | 4 percent | 4 percent | 4 percent | (3) | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | 4 percent | |
| | — | 18 cents | 18 cents | 18 cents | (3) | 18 cents | 18 cents | 18 cents | 18 cents | 18 cents | 18 cents | 18 cents | Semiannual adjustment of cost-of-living allowance. |

See footnotes at end of table.

Table 2. General wage changes,¹ 1964-77—Continued

| Effective date | Agreement date | Union ² | | | | | | | | | | | Applications, exceptions, and other related matters |
|----------------|---|--------------------|------|------|------------------|-----|---|---|---|-------|-----|---|---|
| | | BRASC | BMWE | HREU | TCE (ORT) | BRS | BBF | BRC | IBFO | SMWIA | IAM | IBEW | |
| Dec. 31, 1977 | — | — | — | — | — | — | — | — | — | — | — | — | 16 cents of accumulated cost-of-living allowance incorporated into basic rates. |
| Jan. 1, 1978 | Dec. 4, 1975— BBF, BRC, IBFO, IBEW. | — | — | — | — | — | 3 cents journeymen and mechanics | 3 cents journeymen and mechanics | 3 cents journeymen and mechanics | — | — | 3 cents journeymen and mechanics | |
| | — | 19 cents | — | — | (³) | — | — | — | — | — | — | — | BRASC—semiannual adjustment of cost-of-living allowance. |

¹ General wage changes are upward or downward adjustments affecting a substantial number of workers at one time. Not included are adjustments in individual rates (promotions, length-of-service increases, etc.) and adjustments in the wage structure that do not have an immediate and noticeable effect on the average wage level.

The changes listed are the major adjustments in wage rates made during the period covered. Because of fluctuations in earnings occasioned by changes in classification systems and other factors, the total of the general changes will not necessarily coincide with the change in straight-time average hourly earnings over the period.

Daily, weekly, and monthly rates were adjusted by the same hourly amount as the general wage change, and piecework rates were adjusted by an equivalent amount; thus all employees received the equivalent of the hourly adjustment regardless of the method of pay. Fixed rates, paid for all services rendered, were adjusted to give effect to the number of hours used in establishing these rates and to equivalent hours for the special allowances included in them. Special allowances, not included in the fixed rates of pay, were not adjusted.

² Unions were BRASC—Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees; BMWE—Brotherhood of Maintenance of Way Employees; HREU—Hotel and Restaurant Employees and Bartenders International Union; TCE—Transportation-Communication Employees Union (formerly the Order of Railroad Telegraphers and became a division of BRASC on Feb. 20, 1969); BRS—Brotherhood of Railroad Signalmen; BBF—International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; BRC—Brotherhood of Railway Carmen of the United States and Canada; IBFO—International Brotherhood of Firemen and Oilers; SMWIA—Sheet Metal Workers' International Association; IAM—International Association of Machinists and Aerospace Workers; IBEW—International Brotherhood of Electrical Workers.

³ Employees represented by the BRASC and the TCE, which became a division of the BRASC following their merger on Feb. 20, 1969, were covered by the same agreement and wage increases for all such employees were identical.

⁴ Maximums were as follow:

| Effective date of adjustment | Maximum cumulative allowance (in cents) |
|------------------------------|---|
| Jan. 1, 1976 | 12 |
| July 1, 1976 | 28 |
| Jan. 1, 1977 | 45* |
| July 1, 1977 | 68* |

*Includes amounts incorporated into base rates as specified in footnote 5.

⁵ Portions of accumulated cost-of-living allowance to be incorporated into base rates were as follow: Effective Dec. 31, 1976, 75 percent of allowance then in effect; effective June 30, 1977, remainder of allowance in effect as of Dec. 31, 1976 and still payable; and effective Dec. 31, 1977, 50 percent of allowance then in effect.

The cost-of-living allowance was not included in wage rates for the purpose of calculating percentage basic wage increases until incorporated into base rates.

While a cost-of-living allowance was in effect, it was to apply to straight-time, overtime, vacations, and holidays, and to special allowances and arbitraries in the same manner as basic wage adjustments were applied in the past.

Table 3. Basic hourly wage rates¹ for shop crafts,² specified dates, 1920-62

| Occupation | May 1, 1920 | July 1, 1921 | July 1, 1922 | Feb. 1, 1932 ³ | Aug. 1 1937 | Dec. 1, 1941 | Feb. 1, 1943 ⁴ | Dec. 27, 1943 | Jan. 1, 1946 | May 22, 1946 | Sept. 1, 1947 | Oct. 1, 1948 |
|--|-------------|---------------|--------------|---------------------------|---------------------------|--------------|---------------------------|---------------|--------------|---------------------------|---------------|--------------|
| Blacksmiths | \$0.85 | \$0.77 | \$0.70 | \$0.80 | \$0.85 | \$0.95 | \$1.00 | \$1.05 | \$1.21 | \$1.235 | \$1.39 | \$1.46 |
| Boilermakers | .85 | .77 | .70 | .80 | .85 | .95 | 1.00 | 1.05 | 1.21 | 1.235 | 1.39 | 1.46 |
| Car repairmen, passenger | .85 | .77 | .70 | .80 | .85 | .95 | 1.00 | 1.05 | 1.21 | 1.235 | 1.39 | 1.46 |
| Carmen, other | .80 | .72 | .63 | .73 | .78 | .88 | .94 | .98 | 1.14 | 1.165 | 1.32 | 1.39 |
| Electrical workers | .85 | .77 | .70 | .80 | .85 | .95 | 1.00 | 1.05 | 1.21 | 1.235 | 1.39 | 1.46 |
| Linemen | .81 | .73 | .66 | .76 | .81 | .91 | .96 | 1.01 | 1.17 | 1.195 | 1.35 | 1.42 |
| Groundmen | .75 | .67 | .60 | .70 | .75 | .85 | .91 | .95 | 1.11 | 1.135 | 1.29 | 1.36 |
| Coal pier elevator and hoist operators | .68 | .60 | .53 | .63 | .68 | .78 | .85 | .88 | 1.04 | 1.065 | 1.22 | 1.29 |
| Machinists | .85 | .77 | .70 | .80 | .85 | .95 | 1.00 | 1.05 | 1.21 | 1.235 | 1.39 | 1.46 |
| Sheet-metal workers | .85 | .77 | .70 | .80 | .85 | .95 | 1.00 | 1.05 | 1.21 | 1.235 | 1.39 | 1.46 |
| Apprentices, regular: | | | | | | | | | | | | |
| First period | .42 | .34 | .27 | .37 | .42 | .52 | .61 | .63 | .79 | .815 | .97 | 1.04 |
| Eighth period | .67 | .59 | .52 | .62 | .67 | .77 | .86 | .88 | 1.04 | 1.065 | 1.22 | 1.29 |
| Apprentices, helper: | | | | | | | | | | | | |
| First period | .62 | .54 | .47 | .57 | .62 | .72 | .79 | .82 | .98 | 1.005 | 1.16 | 1.23 |
| Sixth period | .72 | .64 | .57 | .67 | .72 | .82 | .88 | .91 | 1.07 | 1.105 | 1.26 | 1.33 |
| Helpers, all crafts | .62 | .54 | .47 | .57 | .62 | .72 | .79 | .82 | .98 | 1.005 | 1.16 | 1.23 |
| | | Sept. 1, 1949 | Feb. 1, 1951 | Dec. 1, 1952 | Dec. 3, 1954 ⁵ | Dec. 1, 1955 | Nov. 1, 1956 | Nov. 1, 1957 | Nov. 1, 1958 | July 1, 1960 ⁶ | Feb. 1, 1962 | May 1, 1962 |
| Blacksmiths | | \$1.738 | \$1.863 | \$1.903 | \$2.033 | \$2.178 | \$2.278 | \$2.348 | \$2.418 | \$2.638 | \$2.678 | \$2.7408 |
| Boilermakers | | 1.738 | 1.863 | 1.903 | 2.033 | 2.178 | 2.278 | 2.348 | 2.418 | 2.638 | 2.678 | 2.7408 |
| Car repairmen, passenger | | 1.738 | 1.863 | 1.903 | 2.033 | 2.178 | 2.278 | 2.348 | 2.418 | 2.638 | 2.678 | 2.7408 |
| Carmen, other | | 1.654 | 1.779 | 1.819 | 1.989 | 2.134 | 2.234 | 2.304 | 2.378 | 2.598 | 2.634 | 2.6968 |
| Electrical workers | | 1.738 | 1.863 | 1.903 | 2.033 | 2.178 | 2.278 | 2.348 | 2.418 | 2.638 | 2.678 | 2.7408 |
| Linemen | | 1.690 | 1.815 | 1.855 | 1.985 | 2.130 | 2.230 | 2.300 | 2.370 | 2.590 | 2.630 | 2.6928 |
| Groundmen | | 1.618 | 1.743 | 1.783 | 1.913 | 2.058 | 2.158 | 2.228 | 2.298 | 2.518 | 2.558 | 2.6208 |
| Coal pier elevator and hoist operators | | 1.534 | 1.659 | 1.699 | 1.829 | 1.974 | 2.074 | 2.144 | 2.214 | 2.434 | 2.474 | 2.5368 |
| Machinists | | 1.738 | 1.863 | 1.903 | 2.033 | 2.178 | 2.278 | 2.348 | 2.418 | 2.638 | 2.678 | 2.7408 |
| Sheet-metal workers | | 1.738 | 1.863 | 1.903 | 2.033 | 2.178 | 2.278 | 2.348 | 2.418 | 2.638 | 2.678 | 2.7408 |
| Apprentices, regular: | | | | | | | | | | | | |
| First period | | 1.234 | 1.359 | 1.399 | 1.529 | 1.674 | 1.774 | 1.844 | 1.914 | 2.134 | 2.174 | 2.2368 |
| Eighth period | | 1.534 | 1.659 | 1.699 | 1.829 | 1.974 | 2.074 | 2.144 | 2.274 | 2.434 | 2.474 | 2.5368 |
| Apprentices, helpers: | | | | | | | | | | | | |
| First period | | 1.462 | 1.587 | 1.627 | 1.757 | 1.902 | 2.002 | 2.072 | 2.142 | 2.362 | 2.402 | 2.4648 |
| Sixth period | | 1.582 | 1.707 | 1.747 | 1.877 | 2.022 | 2.122 | 2.192 | 2.262 | 2.482 | 2.522 | 2.5848 |
| Helpers, all crafts | | 1.462 | 1.587 | 1.627 | 1.757 | 1.902 | 2.002 | 2.072 | 2.142 | 2.362 | 2.402 | 2.4648 |

¹ Does not include cost-of-living adjustments for the periods such provisions were in effect (Feb. 1951 to Dec. 1954; Nov. 1956 to July 1960).

² Most prevalent wage rate; on some roads the rate for a particular occupation was slightly higher or lower.

³ From Feb. 1, 1932, to Apr. 1, 1935, the parties agreed to deduct specified percentages from each worker's earnings (table 1); basic wage rates, however, were not reduced and remained at the Feb. 1, 1932, level.

⁴ Includes a 1-cent increase on some railroads to remove intraindustry inequities.

⁵ Includes 13-cent cost-of-living allowance incorporated into base wage rates.

⁶ Includes 17-cent cost-of-living allowance incorporated into base wage rates.

Table 4. Basic hourly wage rates¹ for shop crafts,² specified dates, 1964-77

| Occupation | Jan. 1, 1964 | Jan. 1, 1965 | Jan. 1, 1966 | Jan. 1, 1967 | Apr. 1, 1967 | Oct. 1, 1967 | Apr. 1, 1968 | July 1, 1968 | Oct. 1, 1968 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Blacksmiths | \$2.8308 | \$2.9208 | \$3.0108 | \$3.1914 | \$3.2414 | \$3.2914 | \$3.3414 | \$3.5085 | \$3.5585 |
| Boilermakers | 2.8308 | 2.9208 | 3.0108 | 3.1914 | 3.2414 | 3.2914 | 3.3414 | 3.5085 | 3.5585 |
| Carmen (A and B) ³ | 2.8308 | 2.9208 | 3.0108 | 3.1914 | 3.2414 | 3.2914 | 3.3414 | 3.5085 | 3.5585 |
| Carmen (C and D) ⁴ | 2.7868 | 2.8768 | 2.9668 | 3.1448 | 3.1948 | 3.2448 | 3.2948 | 3.4595 | 3.5095 |
| Electrical workers (A) | 2.8308 | 2.9450 | 3.0475 | 3.2304 | 3.2804 | 3.3304 | 3.3804 | 3.5494 | 3.5994 |
| Linemen | 2.7828 | 2.8950 | 2.9950 | 3.1747 | 3.2247 | 3.2747 | 3.3247 | 3.4909 | 3.5409 |
| Groundmen | 2.7108 | 2.8008 | 2.8908 | 3.0642 | unchgd | unchgd | unchgd | 3.2174 | unchgd |
| Machinists | 2.8308 | 2.9450 | 3.0475 | 3.2304 | 3.2804 | 3.3304 | 3.3804 | 3.5494 | 3.5994 |
| Sheet metal workers | 2.8308 | 2.9450 | 3.0475 | 3.2304 | 3.2804 | 3.3304 | 3.3804 | 3.5494 | 3.5994 |
| Regular apprentices: BBF, BRC | | | | | | | | | |
| First period | 2.3268 | 2.4168 | 2.5068 | 2.6572 | unchgd | unchgd | unchgd | 2.7901 | unchgd |
| Eighth period | 2.6148 | 2.7048 | 2.7948 | 2.9625 | unchgd | unchgd | unchgd | 3.1106 | unchgd |
| IAM, IBEW, SMWIA | | | | | | | | | |
| First period | 2.2968 | 2.3568 | 2.4168 | 2.5618 | unchgd | unchgd | unchgd | 2.6899 | unchgd |
| Eighth period | 2.5848 | 2.6448 | 2.7048 | 2.8671 | unchgd | unchgd | unchgd | 3.0105 | unchgd |
| Helper apprentices: First period | 2.5548 | 2.6448 | 2.7348 | 2.8989 | unchgd | unchgd | unchgd | 3.0438 | unchgd |
| Sixth period | 2.6748 | 2.7648 | 2.8548 | 3.0261 | unchgd | unchgd | unchgd | 3.1774 | unchgd |
| Skilled trades helpers | 2.5548 | 2.6448 | 2.7348 | 2.8989 | unchgd | unchgd | unchgd | 3.0438 | unchgd |

| | Jan. 1, 1969 ⁵ | July 1, 1969 | Sept. 1, 1969 | Jan. 1, 1970 | Feb. 19, 1970 | Apr. 1, 1970 | Aug. 1, 1970 | Jan. 1, 1971 | Apr. 1, 1971 | Oct. 1, 1971 | Apr. 1, 1972 |
|---|---------------------------|--------------|---------------|--------------|---------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| Blacksmiths | \$3.67 ⁶ | \$3.83 | \$3.93 | \$4.13 | \$4.20 | \$4.24 | \$4.28 | \$4.38 | \$4.53 | \$4.76 | \$5.00 |
| Boilermakers | 3.67 ⁶ | 3.83 | 3.93 | 4.13 | 4.20 | 4.24 | 4.28 | 4.38 | 4.53 | 4.76 | 5.00 |
| Carmen (A and B) ³ | 3.67 ⁶ | 3.83 | 3.93 | 4.13 | unchgd | 4.24 ⁷ | 4.28 | 4.38 | 4.53 | 4.76 | 5.00 |
| Carmen (C and D) ⁴ | 3.62 | 3.78 | 3.88 | 4.07 | unchgd | 4.18 ⁷ | 4.22 | 4.32 | 4.47 | 4.70 | 4.94 |
| Electrical workers (A) | 3.67 | 3.83 | 3.93 | 4.13 | 4.20 | 4.24 | 4.28 | 4.38 | 4.53 | 4.76 | 5.00 |
| Linemen | 3.62 | 3.78 | 3.88 | 4.07 | 4.14 | 4.18 | 4.22 | 4.32 | 4.47 | 4.69 | 4.92 |
| Groundmen | 3.28 | 3.38 | 3.48 | 3.65 | unchgd | 3.69 | 3.73 | 3.83 | 3.91 | 4.11 | 4.32 |
| Machinists | 3.67 | 3.83 | 3.93 | 4.13 | 4.20 | 4.24 | 4.28 | 4.38 | 4.53 | 4.76 | 5.00 |
| Sheet metal workers | 3.67 | 3.83 | 3.93 | 4.13 | 4.20 | 4.24 | 4.28 | 4.38 | 4.53 | 4.76 | 5.00 |
| Regular apprentices: IAM, IBEW, SMWIA, BBF, BRC ⁶ | | | | | | | | | | | |
| First period | 2.74 | 2.82 | 2.92 | 3.07 | unchgd | 3.11 | 3.15 | 3.25 | 3.33 | 3.50 | 3.68 |
| Eighth period | 3.08 | 3.17 | 3.27 | 3.43 | unchgd | 3.47 | 3.51 | 3.61 | 3.69 | 3.87 | 4.06 |
| Helper apprentices: First period | 3.11 | 3.20 | 3.30 | 3.47 | unchgd | 3.51 | 3.55 | 3.65 | 3.73 | 3.92 | 4.12 |
| Sixth period | 3.24 | 3.34 | 3.44 | 3.61 | unchgd | 3.65 | 3.69 | 3.79 | 3.87 | 4.06 | 4.26 |
| Skilled trades helpers | 3.11 | 3.20 | 3.30 | 3.47 | unchgd | 3.51 | 3.55 | 3.65 | 3.73 | 3.92 | 4.12 |

See footnotes at end of table.

Table 4. Basic hourly wage rates¹ for shop crafts,² specified dates, 1964-77—Continued

| Occupation | Oct. 1, 1972 | Apr. 1, 1973 | Jan. 1, 1974 | Jan. 1, 1975 | Oct. 1, 1975 | Apr. 1, 1976 | Dec. 31, 1976 ⁸ | June 30, 1977 ⁹ | July 1, 1977 | Dec. 31, 1977 ¹⁰ |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------|-------------------------------|-----------------|--------------------------------|
| Blacksmiths | \$5.25 | \$5.50 | \$5.72 | \$6.29 | \$6.60 | \$6.80 | \$6.98 | \$7.07 | \$7.32 | \$7.48 ¹¹ |
| Boilermakers | 5.25 | 5.50 | 5.72 | 6.29 | 6.60 | 6.80 | 6.98 | 7.04 | 7.32 | 7.48 ¹¹ |
| Carmen (A and B) ³ | 5.25 | 5.50 | 5.72 | 6.29 | 6.60 | 6.80 | 6.98 | 7.04 | 7.32 | 7.48 ¹¹ |
| Carmen (C and D) ⁴ | 5.19 | 5.44 | 5.66 | 6.23 | 6.54 | 6.74 | 6.92 | 6.98 | 7.26 | 7.42 ¹¹ |
| Electrical workers (A) | 5.25 | 5.50 | 5.72 | 6.29 | 6.60 | 6.80 | 6.98 | 7.04 | 7.32 | 7.48 ¹¹ |
| Linemen | 5.17 | 5.42 | 5.62 | 6.18 | 6.49 | 6.68 | 6.86 | 6.92 | 7.20 | 7.36 ¹¹ |
| Groundmen | 4.54 | 4.79 | 4.97 | 5.47 | 5.74 | 5.91 | 6.09 | 6.15 | 6.40 | 6.56 |
| Machinists | 5.25 | 5.50 | 5.72 | 6.29 | 6.60 | 6.80 | 6.98 | 7.04 | 7.32 | 7.48 |
| Sheet metal workers | 5.25 | 5.50 | 5.72 | 6.29 | 6.60 | 6.80 | 6.98 | 7.04 | 7.32 | 7.48 |
| Regular apprentices: IAM, IBEW, SMWIA, BBF, BRC ⁶ | | | | | | | | | | |
| First period | 3.86 | 4.11 | 4.27 | 4.69 | 4.92 | 5.07 | 5.25 | 5.31 | 5.52 | 5.68 |
| Eighth period | 4.26 | 4.51 | 4.69 | 5.16 | 5.42 | 5.58 | 5.76 | 5.82 | 6.05 | 6.21 |
| Helper apprentices: | | | | | | | | | | |
| First period | 4.33 | 4.58 | 4.76 | 5.24 | 5.50 | 5.67 | 5.85 | 5.91 | 6.15 | 6.31 |
| Sixth period | 4.47 | 4.72 | 4.91 | 5.40 | 5.67 | 5.84 | 6.02 | 6.08 | 6.32 | 6.48 |
| Skilled trades helpers | 4.33 | 4.58 | 4.76 | 5.24 | 5.50 | 5.67 | 5.85 | 5.91 | 6.15 | 6.31 |

¹Rates do not include cost-of-living allowance for the period such provisions were in effect (beginning Jan. 1, 1976) until incorporated into base rates.

²Most prevalent wage rate; on some roads the rate for a particular occupation was slightly higher or lower.

³Previously designated as "car repairmen, passenger" before 1964.

⁴Previously designated as "carmen, other" before 1964. Beginning with the Jan. 1, 1969 wage increase, agreements provided that increases for these workers would be the money amount of the increases for "carmen (A and B)" in order to preserve the existing differential between the two categories of workers.

⁵Shopcraft agreements provided that wage rates be rounded to nearest whole cent prior to application of the Jan. 1, 1969 adjustment and in determining future percentage adjustments.

⁶Sept. 9, 1969 agreement provided for equalization of BBF and BRC skilled and regular apprentice rates with those of SMWIA, IAM, and IBEW.

⁷Rates include a 4-cent increase on Apr. 1, 1970 and a 7-cent increase on Apr. 24, 1970 (comparable workers in other unions received the 7 cents on Feb. 19, 1970).

⁸Result of incorporation of 18 cents of accumulated cost-of-living allowance into base rates.

⁹Result of incorporation of 6 cents of accumulated cost-of-living allowance into base rates.

¹⁰Result of incorporation of 16 cents of accumulated cost-of-living allowance into base rates.

¹¹Such rates were to be further increased by 3 cents an hour effective Jan. 1, 1978.

Table 5. Supplementary compensation practices¹

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|--|---|
| <i>Overtime pay</i> | | |
| <p>1932..... Sept. 1, 1949 (agreement dated Mar. 19, 1949).</p> | <p>No national provision.² Time and one-half for work in excess of 40 straight-time hours a week.</p> | <p>Existing local and system rules for payment of daily overtime to remain unchanged. Time and one-half not paid for hours in excess of 40 resulting from worker moving from one assignment to another, to or from an extra or furlough list, or when operational requirements made it necessary to split the 2 days of rest so employee worked more than five 8-hour days a week. In computing weekly hours of work after which overtime was payable, (a) the following were included: (1) hours (not in excess of 8) paid for on holidays, (2) hours paid for changing shifts, and (3) time for which an allowance in lieu of regular rate was paid for attending court, deadheading, travel, etc., during assigned hours; and (b) the following were excluded: (1) daily overtime, (2) arbitraries or special allowances for time outside of assigned working hours or not previously included under existing rules and computations leading to overtime.</p> |
| <i>Premium pay for work on weekends or rest day</i> | | |
| <p>1932..... Sept. 1, 1949 (agreement dated Mar. 19, 1949).</p> <p>Feb. 17, 1970 (agreements dated Apr. 9, 1970—BBF, SMWIA, IAM, IBEW; Apr. 24, 1970—BRC; June 12, 1970—IBFO).</p> | <p>No national provision.² Time and one-half for work on 6th and 7th day of workweek.</p> <p>Added: Double time paid for 7th consecutive day worked.</p> | <p>Eliminated: Local and system provisions for payment of punitive rates for work on Sunday as such. Premiums not paid for work on 6th and 7th days resulting from worker moving from one assignment to another, to or from an extra or furlough list, or when operational requirements made it necessary to split the 2 days of rest so employee worked more than five 8-hour days a week.³</p> |
| <i>Holiday pay</i> | | |
| <p>1932..... May 1, 1954 (agreement dated Aug. 21, 1954).</p> <p>July 1, 1960 (agreement dated Aug. 19, 1960).</p> <p>Jan. 1, 1965 (agreements dated Nov. 20, 1964—BRASC, BMW, ORT, BRS, HREU; Nov. 21, 1964—BBF, BRC, IBFO; Feb. 4, 1965—SMWIA, IAM, IBEW).</p> | <p>No national provision. 7 paid holidays, for which regularly assigned workers received 8 hours' pay at regular rates, provided holiday fell on a scheduled workday.⁴</p> <p>Added: 1 additional paid holiday (total 8).</p> | <p>Holidays were: New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas. To qualify for holiday pay, employee must have been paid for work on the day immediately preceding and following holiday. Days of sickness not credited as workdays. National agreement not to reduce number of holidays or change method of pay for holidays under existing rules or practices. Added: (a) For regularly assigned employees—holiday pay provided if employee was available but not assigned to work on days immediately preceding and following holidays. (b) For other than regularly assigned employees—holiday pay provided only if holiday fell on a workday, unless employee was relieving a regular employee under specified conditions, in which case the same qualifying conditions for employee being relieved were applied; to be eligible, employee must have (1) worked 11 of the 30 calendar days preceding holiday and (2) had at least 60 days' seniority or 60 days' continuous service preceding holiday. To qualify, employee must, on workday preceding and following holiday, either have (1) been paid for work, or (2) been available for work. Holiday was employee's birthday. If birthday fell on other than a workday for regularly assigned employee or other than workday employee would have worked for non-regularly assigned employee, employee received an additional day's pay in lieu of day off. Established: HREU—2 days of pay added to annual compensation in lieu of time off.</p> |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|---|--|
| <i>Holiday pay—Continued</i> | | |
| Jan. 1, 1968 (agreements dated Dec. 28, 1967—BRASC; May 17, 1968—BMW; June 24, 1968—TCE; Apr. 21, 1969—BRS; Sept. 2, 1969—BBF, BRC, SMWIA, IBFO, IAM, IBEW). | ..... | Added: Holiday pay for holiday that fell during employee's vacation period. Added: If holiday fell on employee's regular scheduled day off, employee received additional day's pay. |
| 1972 (agreements dated Feb. 10, 1971—BMW; Feb. 25, 1971—BRASC (TCE); Oct. 7, 1971—BRC, BBF, IAM, IBEW; Nov. 16, 1971—BRS; Feb. 11, 1972—IBFO; May 12, 1972—SMWIA). | ..... | Changed: Good Friday substituted for employee's birthday. |
| 1973 (agreements dated Feb. 10, 1971—BMW; Feb. 25, 1971—BRASC (TCE); Oct. 7, 1971—BRC, BBF, IAM, IBEW; Nov. 16, 1971—BRS; Feb. 11, 1972—IBFO; May 12, 1972—SMWIA). | Added: 1 additional paid holiday (total 9). | Holiday was Veterans Day. |
| 1976 (agreements dated Jan. 29, 1975—BMW, BRS, SMWIA; Mar. 12, 1975—IAM; Mar. 18, 1975—HREU; July 23, 1975—BRASC (TCE); Dec. 4, 1975—BBF, BRC, IBEW, IBFO). | Added: 1 additional paid holiday (total 10). | Holiday was Christmas Eve. HREU—2 cents was added to hourly rates of pay effective Jan. 1, 1976 to reflect an increase of an additional day's pay to the employee's annual rate. |
| <i>Vacation pay</i> | | |
| 1932..... Jan. 1, 1942 (agreement dated Dec. 17, 1941). | No national provision. 6 days' vacation with pay for employees with 160 days or more of compensated service in preceding calendar year. ³ | Additional 3 days' vacation with pay after 2 years' service and 6 days after 3 years' continuous service provided employees represented by the Brotherhood of Railway Clerks and the Order of Railroad Telegraphers. ⁵ Pay in lieu of vacation provided when employee could not be released for a vacation. Benefits not provided when employment relationship was terminated, except by statutory retirement, before employee took vacation. National agreement not to deprive employees of more liberal vacations under existing rules or practices. |
| Jan. 1, 1945 (agreement dated Feb. 23, 1945). | Added: 12 days' vacation with pay at regular rates for employees with 5 or more years' continuous employment and 160 days' compensated service in each of 5 years, not necessarily continuous. | No change in vacation provisions for certain employees represented by the Clerks and Telegraphers. ⁵ |
| Sept. 1, 1949 (agreement dated Mar. 19, 1949). | Changed: Days of vacation, to 5 and 10. | Based on Emergency Board recommendations of Dec. 17, 1948, that parties agree to change in existing rules not consistent with the 40-hour workweek. |
| Jan. 1, 1950 (agreement dated Mar. 19, 1949). | Changed to: 151 days' compensated service in 1949 required for 1950 vacation; 133 days required in 1950 and thereafter for vacation in following year. | 7½ days' vacation with pay after 2 years' service and 10 days after 3 years' continuous service provided certain employees represented by the Clerks and Telegraphers. ⁵ |
| Jan. 1, 1954 (agreement dated Aug. 21, 1954). | Added: 15 days' vacation with pay at regular rates for employees with 15 or more years' continuous employment and 133 days' compensated service in each of 15 years, not necessarily continuous. ⁶ | Qualifying years accumulated prior to 1949 for extended vacations not changed. |
| Jan. 1, 1955 (agreement dated Aug. 21, 1954). | ..... | Days of sickness or occupational injury counted as service up to maximum of 10 days for employees with less than 5 years' service, 20 days for 5 but less than 15 years, and 30 days for 15 or more years. Vacation allowance earned prior to death of employee paid to surviving widow or dependent minor children. No additional pay provided when holiday fell on regularly assigned workday during vacation period. |
| Jan. 1, 1955 (agreement dated Aug. 21, 1954). | ..... | Time and one-half plus vacation pay provided employee required to work during vacation unless local or system agreements contain more liberal provisions. |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|--|--|
| <i>Vacation pay—Continued</i> | | |
| Jan. 1, 1961 (agreement dated Aug. 19, 1960). | <p>Changed to: Service for 10 days' vacation reduced to 3 continuous years.</p> <p>Days of compensated service in qualifying years reduced to 120 days for 5 days' vacation, 110 days for 10 days' vacation, and 100 days for 15 days' vacation.</p> | <p>Employees eligible for 10 days' paid vacation in 1960 under changed but not old provision to receive additional 5 days' pay.</p> <p>Changed: Days of sickness and injury counted as service up to maximum of 10 days for employees with less than 3 years' service and 20 days for 3 but less than 15 years' service. Vacation allowance became vested when employee qualified.</p> |
| Jan. 1, 1965 (agreements dated Nov. 20, 1964—BRASC, BMW, HREU; Nov. 21, 1964—BBF, BRC, IBFO; Feb. 4, 1965—SMWIA, IAM, IBEW). | <p>Added: 20 workdays (or 4 workweeks) of vacation with pay for employees with 20 years or more of continuous service who qualified for existing 15 workdays (or 3 workweeks) vacation.</p> | |
| Jan. 1, 1967 (agreements dated Dec. 15, 1966—BRASC; Jan. 13, 1967—BMW, HREU, TCE, BRS; Sept. 27, 1967—BBF, BRC, IBFO, SMWIA, IAM, IBEW). | <p>Changed: Service requirement for 15 workdays (or 3 workweeks) of vacation to 10 years of continuous service.</p> | |
| Jan. 1, 1968 (agreements dated Dec. 28, 1967—BRASC; May 17, 1968—BMW, HREU; June 24, 1968—TCE; Apr. 21, 1969—BRS; Sept. 2, 1969—BBF, BRC, IBFO, SMWIA, IAM, IBEW). | <p>Changed: Service requirement for 10 workdays (or 2 workweeks) of vacation to 2 years of continuous service.</p> | <p>Added: Holiday pay for holiday which fell during vacation period.</p> |
| Jan. 1, 1969 (agreements dated Sept. 2, 1969—BBF, BRC, IBFO, SMWIA, IAM, IBEW). | <p>.....</p> | <p>Added: Full credit allowed for military service for vacation purposes.</p> |
| Jan. 1, 1973 (agreements dated Feb. 10, 1971—BMW, HREU; Feb. 25, 1971—BRASC (TCE); Oct. 7, 1971—BBF, BRC, IAM, IBEW; Nov. 16, 1971—BRS; Feb. 11, 1972—IBFO; May 12, 1972—SMWIA). | <p>Added: 25 workdays (or 5 workweeks) of vacation with pay for employees with 25 years or more of continuous service who qualified for existing 20 workdays (or 4 workweeks) of vacation.</p> | <p>Added: BRASC (TCE), BMW, HREU, BRS—full credit allowed for military service for vacation purposes.</p> |
| <i>Jury-duty pay</i> | | |
| Jan. 1, 1970 (agreements dated Apr. 9, 1970—BBF, SMWIA, IAM, IBEW; Apr. 24, 1970—BRC; June 12, 1970—IBFO); | | |
| Jan. 1, 1973 (agreements dated Feb. 10, 1971—BMW, HREU; Feb. 25, 1971—BRASC (TCE); Nov. 16, 1971—BRS). | <p>Established: National provision for jury duty with employee paid for actual time lost with maximum of a basic day's pay at straight time less jury pay, for up to 60 days per year.</p> | |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|--|--|
| <i>Travel time and expense pay</i> | | |
| Oct. 15, 1967 (arbitration award of Sept. 30, 1967—BRASC, BMW, BRS, TCE, HREU). | <p>Established: Uniform travel time and expense allowances for employees required to work away from home station as follows:</p> <ol style="list-style-type: none"> (1) Employees required to live away from home in camp cars, highway trailers, hotels, or motels were to receive (a) fully furnished accommodations (linen, wash-up facilities, etc.) if lodging provided by carrier, otherwise up to \$4 a day for actual expenses, (b) meal allowance of \$1, \$2, or \$3 a day, depending on extent carrier made provision for meals, (c) cost of transportation if not provided at rate of 9 cents a mile if personal auto used, and (d) travel time, pay between work points at straight-time rate outside of work hours; (2) Employees (other than those above or dining car employees) required to be away from headquarters point, including those filling relief assignments or performing extra or temporary service, were to receive (a) up to \$7 a day for actual meal and lodging expenses when unable to return to headquarters point, (b) free transport or reimbursement for travel on another carrier, or 9 cents a mile if personal auto used for travel between work point and headquarters, and (c) travel time pay between headquarters and work point or to next work point at straight-time rate for time over 1 hour spent in travel (including waiting time) with private auto use calculated at rate of 2 minutes per mile traveled; (3) Dining car employees required to lay over away from home terminal were to receive (a) lodging furnished by carrier and (b) meal allowance of \$1.50 for a layover of 8 hours or more and an additional \$1.50 for a layover of 24 hours or more. | <p>Labor organizations affected by the award represented about 65 percent of all nonoperating employees.</p> <p>Previously, travel time and allowances for workers involved had been determined locally and varied considerably. This condition continued to exist for other nonoperating employees.</p> |
| <i>Job protection agreements⁷</i> | | |
| 1932..... June 18, 1936 (Washington Job Protection agreement dated May 21, 1936). | <p>No national provision.</p> <p>Employees required to accept new position or separated from employment because of unification, consolidation, merger, or pooling (coordination) of separate facilities, operations, or services of two or more railroads to receive the following benefits:</p> <p><i>Displacement allowance:</i> Employees unable in the normal exercise of seniority to obtain a position with pay at least equal to that of former position guaranteed—for 5 years after merger, consolidation, etc.—an allowance equal to average monthly earnings during 12 months immediately preceding displacement less earnings lost because of voluntary absences. Time worked in excess of hours worked during 12-month test period not used in computing pay due, if any, under guarantee.</p> <p><i>Severance allowance:</i> For each month employee was not employed by home road or new operation—allowance equal to 60 percent of average monthly earnings during the 12 months immediately preceding separation for period ranging from 6 months for employees with 1 and less than 2 years' service to 60 months for employees with 15 or more years' service. Lump-sum payment, equivalent to 60 days' pay, provided employees with less than 1 year's service.⁸</p> <p>Employees eligible to receive severance allowance given option to resign and, in lieu of all other benefits under agreement, receive lump-sum payment ranging from 3 to 12 months' pay.⁹</p> | <p>Washington Job Protection Agreement benefits not available to displacements or separations resulting from other than defined causes.</p> <p>Employee not required to exercise rights to a position which required change of residence if another position not requiring a change was available. Guarantee applied if earnings of position not requiring change of residence were below earnings of former job.</p> <p>Employees required to move residence within 3 years reimbursed for (1) moving expenses, (2) travel expenses for self and family, (3) living expenses for self and family, and (4) wage loss during period of transfer and up to 2 days thereafter while searching for living quarters.</p> <p>Employees required to move residence and furloughed within 3 years of initial reassignment could elect to return to original place of employment with carrier bearing expense of moving household and personal belongings.</p> <p>Employees required to change point of employment, and thereafter residence, protected against loss resulting from sale of home for less than fair value, or from loss (to extent of fair value of equity) and further obligations under purchase contract or unexpired lease.</p> <p>Employee considered separated when (1) position with home road was abolished or (2) position was lost as a result of seniority by another employee whose position was abolished (or by other employees as proximate cause), and (3) another position could not be obtained through the exercise of seniority rights.</p> <p>Employees not considered separated in cases of resignation, death, retirement with old age or disability pension, dismissal for cause, or furlough for seasonal reasons.</p> <p>Employee receiving allowance subject to recall to position reasonably comparable to job previously held (and for which employee was physically and mentally qualified) and not requiring change in residence or infringement of other employees' rights. On return to service, severance allowance stopped and displacement allowance provisions became effective.</p> |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|---|--|---|
| <i>Job protection agreements⁷—Continued</i> | | |
| June 18, 1936—Continued. | | Allowance for employees hired by other railroads than home road or merged, consolidated, etc., operation reduced by amount earnings in new employment and allowance exceeded earnings on which allowance was based. |
| Nov. 1, 1964 (agreement dated Sept. 25, 1964—IAM, IBEW, SMWIA, BBF, BRC, IBFO). | <p><i>Shop Crafts:</i> Protective benefits of the Washington Job Protection Agreement extended to workers who were "deprived of employment" or "placed in a worse position relative to compensation" due to transfer of work; abandonment, discontinuance for 6 months or more, or consolidation of facilities or services (or portions of same); contracting out of work; use of externally serviced equipment; voluntary or involuntary discontinuance of contracts; technological change; trade-in or repurchase of equipment or unit exchange. Protection benefits included:</p> <ol style="list-style-type: none"> (1) Displacement allowance (2) Severance Allowance (3) Lump-sum payment option (4) Travel expense protection (5) Home sale protection | Employee not considered deprived of employment or in a worse position relative to compensation if employee resigned, died, retired, was dismissed with cause, failed to exercise seniority rights, was laid off due to decline in carrier business, seasonal factors, or was a temporary employee. |
| (agreement dated Feb. 7, 1965—BMWE, BRS, ORT, HREU, BRASC). | <p><i>Non-shop Crafts:</i> Employees in the following categories were to be retained in active service until removed by natural attrition or loss of protective status:</p> <ol style="list-style-type: none"> (1) Non-seasonal employees with 2 years or more experience and 15 days of service in 1964, in active service Oct. 1, 1964, or restored to active service between Oct. 1, 1964 and the date of agreement. Any such employees on furlough on the date of agreement were to be returned to active status before Mar. 1, 1965 and retained from then on. (2) Seasonal employees with service in 1962, 1963, and 1964 were to be offered at least equivalent employment to what they performed in 1964. | Employee not to lose benefits of previous employment if laid off. 60 days' notice required of abolition of job; 90 if change of residence required. A Shop Craft Special Board of Adjustment was established to expedite any dispute. |
| | <p>Employees holding regular assignment Oct. 1, 1964, were not to be placed in a worse position with respect to compensation at that time. Such base compensation was to be adjusted to include subsequent wage increases. All other employees were not to be placed in a worse position with respect to compensation received in previous 12 months.</p> <p>Employee required to transfer, who had 15 or more years of service, given choice of:</p> <ol style="list-style-type: none"> (1) Transfer, with Travel and Home Sale Protection per Washington Job Protection Agreement plus a transfer allowance of \$400 and 5 instead of 2 days time (also applicable to employee required to transfer, who had less than 15 years); or (2) Resignation in lieu of transfer, receive lump-sum separation allowance per the Washington Job Protection Plan lump-sum payment option schedule. | Employer allowed to reduce-force, including protected employees if average business for 30 days fell below 1963 - 64 average by 5 percent. Employees were to be reinstated when business recovered. On 16 hours' notice employers allowed to reduce force, including protected employees, in case of emergency when work could not be performed. Employees were to be reinstated when business recovered. Reduction of work force by attrition not to exceed 6 percent per annum. Protected employee could be used for temporary assignments; travel paid where applicable. Protection lost if employee resigned, died, retired, was dismissed for cause, failed to retain or obtain position in exercise of seniority rights, failed to report for extra work when furloughed, or failed to accept employment in employee's craft anywhere on carrier. |
| Effective 30 days after agreement date (agreements dated Dec. 4, 1975—BBF, BRC, IBFO, IBEW; Mar. 12, 1975—IAM). | <p>Added: <i>Shop Crafts</i>—if carrier violated advance notice requirements for subcontracting, amount paid equal to 10 percent of man-hours billed by contractor times weighted average of straight-time hourly rates of affected employees; divided equitably among them.</p> | Protected employee using seniority to bid in a job or who was bumped in normal way to be compensated at rate of pay and conditions of job bid for (but not when forced to because of technological, operational, or organizational changes). 60 day's notice required if change to be instituted, 90 days if required change of residence. 30 days' notice required if change involved not more than 5 employees across seniority craft lines. |
| <i>Layoff notice</i> | | |
| 1932..... | No national provision. | |
| Nov. 1, 1954 (agreement dated Aug. 21, 1954). | Rules in individual agreements requiring advance notice of elimination of positions or reduction in forces modified to provide for not more than 16 hours' notice if emergency conditions required carrier to suspend all or part of service. | Emergency conditions defined as flood, snow, storm, hurricane, earthquake, fire, or strike. Applied to employees whose positions were abolished or who were laid off because work no longer existed or could not be performed. |
| July 16, 1962 (agreement dated June 5, 1962). | Added: Not less than 5 days' advance notice required before abolishing regular positions by layoff or furlough. ¹⁰ | Did not revise existing local rules or provisions for more than 5 days' notice. Not applicable in emergency conditions. |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|--|--|
| <i>Health and welfare</i> | | |
| <p>1932..... Feb. 1, 1955 (agreement dated Aug. 21, 1954).</p> | <p>No national provision. Plan established to provide hospital-surgical-medical benefits (a) for contributing employees on railroads not having hospital associations and (b) through hospital associations on roads where such associations were in operation.</p> | <p>On nonhospital-association railroads—qualified employees required to contribute \$3.40 a month; employers to match employee contribution. Employers to retain 1 percent of total contribution for administrative costs. Difference between insurance premium (\$5.95 a month) and net contribution (\$6.732) to be held by insurer in special reserve account, at interest. Funds in special account to be used to provide part of increased premiums in subsequent years. On railroads where hospital associations operated—employers were to assume 50 percent of dues, up to \$3.40 a month per employee. (The benefits provided by these associations, which differ from one railroad to another, are not reported here.)</p> |
| <p>Mar. 1, 1955 (agreement dated Aug. 21, 1954).</p> | <p>Hospital-surgical-medical benefit plan became effective. Benefits for nonhospital-association railroads were as follows: <i>Hospital benefits:</i> <i>Inpatient care</i>—all charges for semiprivate room, board, and general nursing care for maximum of 120 days per disability, 10 days for maternity. <i>Outpatient care</i>—up to \$500, plus 75 percent of charges in excess of \$500, for any one accident or sickness. <i>Miscellaneous hospital services</i>—up to \$500, plus 75 percent of charges in excess of \$500. <i>Surgical benefits:</i> <i>Surgical schedule</i>—up to \$300. <i>Anesthesia allowance</i>—Up to \$25 or one-fifth of surgical allowance, whichever was less. <i>Medical benefits:</i> <i>In-hospital doctor care</i>—up to \$4 for each day of confinement, \$480 maximum. <i>Out-of-hospital doctor care</i>—up to \$4 for office and \$5 for home visits after first visit for bodily injury and third visit for sickness, limited to 1 call per day and maximum of 120 calls in any 12-month period. <i>Diagnostic X-ray and laboratory examinations</i>—Up to \$50 during any 6 consecutive months. <i>Poliomyelitis</i>—up to \$5,000 per case. <i>Major medical expense benefits</i>—75 percent of excess of “covered expenses” each calendar year over the sum of (a) \$100 plus (b) benefits under other provisions of the plan plus (c) 25 percent of excess of miscellaneous hospital charges over \$500—up to lifetime total of \$5,000.</p> | <p>Not available for dental work or treatment, or cosmetic surgery, except to repair damage caused by bodily injury.</p> <p>Provisions relating to the various categories of medical benefits prevented doubling up to collect the same benefit under more than one provision. Not payable for dental care or eye refractions.</p> |
| <p>Feb. 1, 1956 (agreement dated Dec. 21, 1955).</p> | <p>Changed: Employer assumed full cost of hospital-surgical-medical plan.</p> | <p>Each employer paid \$6.80 a month, less 1 percent for administrative costs, for each qualifying employee who rendered compensated service during the month. Hospital association railroads assumed full association dues up to \$6.80 a month per employee.</p> |
| <p>Nov. 1, 1956 (agreement of same date).</p> | <p>Increased: Employer payment, to provide benefits for dependents.</p> | <p>Payment increased to \$11.05 a month per employee on railroads not having hospital associations, and set at \$4.25 a month per employee on hospital association railroads. Dependents of employees on hospital association roads insured by plan protecting employees on nonassociation roads. Both contributions less 1 percent for administrative costs.¹¹ Maximum employer payment for hospital association dues unchanged.</p> |
| <p>Dec. 1, 1956 (agreement dated Nov. 1, 1956).</p> | <p>Added: Dependent benefits, providing: <i>Hospital benefits:</i> <i>Inpatient care</i>—all charges for semiprivate room, board, and general nursing care for maximum of 120 days per disability. <i>Outpatient care</i>—up to \$200, including maximum of \$25 for ambulance service, for any one accident or sickness. <i>Miscellaneous hospital services</i>—up to \$200, including maximum of \$25 for ambulance service. <i>Maternity</i>—up to \$75 per pregnancy.</p> | <p>Dependent defined as wife or husband and unmarried children under 19 years of age residing in the United States or Canada.</p> |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|---|---|---|
| <i>Health and welfare—Continued</i> | | |
| Dec. 1, 1956—Continued. | <p><i>Surgical benefits:</i> <i>Surgical schedule</i>—up to \$250. <i>Anesthesia allowance</i>—up to \$25 or one-fifth of surgical allowance, whichever was less.</p> <p><i>Medical benefits:</i> <i>In-hospital doctor care</i>—up to \$3 a day for each day of confinement, \$360 maximum. <i>Poliomyelitis</i>—up to \$5,000 per case.</p> | <p>Not available for dental work or treatment, or cosmetic surgery, except to repair damage caused by bodily injury.</p> <p>Not payable for dental care or eye refractions.</p> |
| Feb. 1, 1961 (agreement dated Aug. 19, 1960). | <p>Increased: Employer payment, to provide hospital-surgical-medical benefits for furloughed employees, improved benefits for dependents, and life insurance for employees.</p> | <p>Employer payment for employee and dependent benefits increased to \$21.82 a month per employee by nonhospital association roads and for dependent benefits to \$13.11 by hospital association roads, both contributions less 1 percent for administrative costs.</p> <p>On hospital association roads, maximum payment toward association dues increased to \$7.58 a month per employee, plus cost of 3-month extension of benefits for furloughed employees (limited to equivalent of 32 cents a month for each employee in active service) and cost of treating on-duty injuries.¹²</p> |
| Mar. 1, 1961 (agreement dated Aug. 19, 1960). | <p>Added: For employees—<i>Life insurance</i>—\$4,000 per qualifying employee. For furloughed employees and their dependents: <i>Hospital-surgical-medical benefits</i>—up to 3 months beyond layoff provided employment relationship was not terminated and employer had paid a minimum of 3 monthly contributions for employee prior to furlough.¹³</p> <p>Changed: For dependents: <i>Hospital-surgical-medical benefits</i>—same as benefits for employees, except that home and office doctor care not included.</p> | <p>Qualifying employees were those eligible to participate in the hospital-surgical-medical benefits plan.</p> |
| <p>Mar. 1, 1964 (agreements dated Nov. 20, 1964—BRASC, BRS, BMW, HREU, ORT; Nov. 21, 1964—BBF, BRC, IFBO; Feb. 4, 1965—SMWIA, IAM, IBEW). Feb. 1, 1966 (by agreements of above dates).</p> | <p>Added: \$2,000 <i>life insurance</i> for retirees who retired subsequent to Mar. 1, 1964.</p> | <p>Increased: Employer payment for employee and dependent (and retiree life insurance) to \$22.32 a month per employee (included separate on-duty injury premium of 81 cents per employee) by nonhospital association railroads.¹⁴</p> |
| July 1, 1966 (agreement dated Feb. 17, 1966). | <p>For employees and dependents: Increased: <i>Hospital extras</i>—to \$500 plus 80 percent of charges over \$500. Increased: <i>Surgical benefits</i>— <i>Surgical schedule</i>—maximum to \$420. <i>Anesthesia</i>—to \$84 or 20 percent of surgical fees, whichever was less. Changed: <i>Diagnostic X-ray and laboratory examinations</i>—to \$100 per calendar year. Changed: <i>Major medical</i>—to 80 percent of charges (50 percent for out-of-hospital psychiatric care) over \$100 deductible, up to \$5,000 lifetime maximum. Added: <i>Radiation therapy</i>—up to \$300 per calendar year.</p> | <p>Increased: Employer payment for benefits to \$25.72 a month per employee (included separate on-duty injury premium of 81 cents per employee) by nonhospital association railroads.¹⁴</p> <p>Added: Health and welfare plan coordinated with Medicare to prevent duplication of benefits, with plan to pay Medicare Part B premium for eligible employees.</p> <p>Added: \$1,000 annual restoration provision for major medical, plus full restoration if recovery complete.</p> |
| Mar. 1, 1968 (agreement dated Jan. 11, 1968). | <p>For employees and dependents: Increased: <i>Hospitalization</i>— <i>Hospital room and board</i>—benefit period to 180 days. <i>Hospital extras</i>—to \$1,000, plus 80 percent of charges over \$1,000. Increased: <i>Medical benefits</i>— <i>In-hospital doctor's care</i>—to \$6 per day up to \$1,080. <i>Out-of-hospital doctor's care</i>—for employees, to \$6 for office and \$7.50 for home calls after 1st visit for injury and 3rd visit for sickness, up to 180 visits. Increased: <i>Major medical</i>—maximum to \$10,000. Increased: <i>Polio</i>—maximum to \$10,000.</p> | <p>Increased: Employer payment for benefits to \$30.50 a month per employee (included separate on-duty injury premium of \$1.24 per employee) by nonhospital association railroad.¹⁴</p> <p>Agreement provided for consolidation of all national plans into a single uniform plan for all employee groups.</p> <p>Expanded: Definition of dependent to include child disabled before age 19 as long as disabled and full time students under age 25.</p> <p>Expanded: Definition of hospitals which previously did not qualify.</p> <p>Increased: Time for emergency out-patient care to 72 hours from 24.</p> |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|---|---|
| <i>Health and welfare—Continued</i> | | |
| Mar. 1, 1968—Continued | For employees: Increased: <i>Life insurance</i> —to \$6,000. Increased: <i>Accidental death and dismemberment</i> —up to \$4,000. | |
| July 1, 1969 (agreement dated Apr. 21, 1969—BRS). | Established: Off-track vehicle injury insurance to cover accidents while employees were riding in, boarding, or alighting from off-track vehicles authorized by carrier and were deadheading under orders or being transported at carrier expense as follows: <i>Accidental death and dismemberment</i> —\$50,000 for loss of bodily member (sight of one eye, or loss of one foot or one hand) and \$100,000 for loss of life or more than one bodily member. <i>Medical and hospital care</i> —up to \$3,000 for actual expenses. <i>Time loss</i> —employee injured and unable to work beginning 30 days after accident to receive 80 percent basic pay for time actually lost, up to \$100 a week, for a period of 156 continuous weeks after accident. Reduced by any sickness benefit payable under Railroad Unemployment Insurance Act. | Carrier not liable for any amount over \$1 million for any one accident regardless of number of casualties. |
| Mar. 1, 1970 (agreement dated Feb. 26, 1970). | For employees and dependents: Increased: <i>Surgical benefits</i> — <i>Surgical schedule</i> —maximum to \$550. <i>Anesthesia</i> —to \$110 or 20 percent surgical fees, whichever was less. Increased: <i>Diagnostic X-ray and laboratory examinations</i> —maximum to \$150. Increased: <i>Radiation therapy</i> —maximum to \$400. Increased: <i>Major medical</i> —lifetime maximum to \$20,000. | Increased: Employer payment for benefits to \$40.29 a month per employee (included separate on-duty injury premium of \$1.63 per employee) by nonhospital association railroads. ¹⁴ Added: Retiree life insurance continued for employees of discontinued employers. Dependent coverage extended to child at birth (was after 15 days). |
| May 1, 1971 (agreements dated Feb. 10, 1971—BMW, HREU; Feb. 25, 1971—BRASC). Sept. 1, 1971 | Established: Off-track vehicle injury insurance for workers represented by BRASC, BMW, and HREU. (Same benefits provided as those shown under July 1, 1969 entry in this section for BRS-represented workers.) | Increased: Employer payment for benefits to \$41.29 a month per employee (included separate on-duty injury premium of \$1.63 per employee) by nonhospital association railroads. ¹⁴ |
| Jan. 1, 1972 (agreements dated Oct. 7, 1971—BBF, BRC, IAM, IBEW). | Established: Off-track vehicle injury insurance for workers represented by BBF, BRC, IAM, and IBEW. (Same benefits provided as those shown under July 1, 1969 entry in this section for BRS-represented workers.) | Reduced: Employer payment for benefits to \$41.06 a month per employee (included separate on-duty injury premium of \$1.63 per employee) by nonhospital association railroads. ¹⁴ |
| Mar. 1, 1972 (agreement dated Feb. 24, 1972). | For employees and dependents: Increased: <i>Hospital room and board</i> —benefit period to 365 days. Added: Intensive care excess charges handled as <i>hospital extras</i> . Increased: <i>Surgical benefit</i> — <i>Surgical schedule</i> —maximum to \$650. <i>Anesthesia</i> —to \$162.50 or 25 percent surgical fees, whichever was less. Increased: <i>Major medical</i> —lifetime maximum to \$50,000, automatic restoration amount to \$2,000 annually, and out-of-hospital psychiatric payment to 65 percent (was 50 percent). | Added: New period of hospital confinement to begin after 30 days had elapsed since release from hospital. Increased: Employer payment for benefits to \$54.99 a month per employee (included separate on-duty injury premium of \$2.72 per employee) by nonhospital association railroads. ¹⁴ Changed: Insurance continued for 5 full months (was 1 month) for pregnant employee following month last worked with provision for 14 days' coverage of newborn if birth occurred thereafter. Added: Maternity benefits under nonhospital association road plan for female employee of hospital association road. Added: Immediate reinstatement for returning veterans with immediate maternity benefits for their wives. Added: Continued coverage for dismissed employees basically the same as for furloughed employees. |
| Apr. 1, 1972 (agreement dated Feb. 11, 1972—IBFO); Aug. 1, 1972 (agreement dated May 12, 1972—SMWIA). | Established: Off-track vehicle injury insurance for workers represented by IBFO and SMWIA. (Same benefits provided as those shown under July 1, 1969 entry in this section for BRS-represented workers.) | Reduced: Employer payment for benefits to \$54.77 a month per employee (included separate on-duty injury premium of \$2.50 per employee) by nonhospital association railroads. ¹⁴ |
| Mar. 1, 1973 | ..... |  |
| July 1, 1973 (agreement dated Mar. 13, 1973). | For employees and dependents: Increased: <i>Major medical</i> —lifetime maximum to \$250,000. | Increased: Employer payment for benefits to \$54.98 a month per employee (included separate on-duty injury premium of \$2.71 per employee) by nonhospital association railroads. ¹⁴ |
| Mar. 1, 1974 | ..... |  |

See footnotes at end of table.

Table 5. Supplementary compensation practices¹—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|---|--|--|
| <i>Health and welfare—Continued</i> | | |
| Oct. 1, 1975 | ..... | Increased: Employer payment for benefits to \$62.73 a month per employee (included separate on-duty injury premium of \$3.44 per employee) by nonhospital association railroads. ¹⁴ |
| Jan. 1, 1976 | ..... | Increased: Employer payment for benefits to \$73.17 a month per employee (included separate on-duty injury premium of \$3.44 per employee) by nonhospital association railroads. ¹⁴ |
| Mar. 1, 1976 (agreement dated Oct. 10, 1975). | <p>For employees and dependents:</p> <p>Established: <i>Dental plan</i> (carrier financed) which paid (a) 75 percent of covered expenses for preventative and basic services and emergency visits, (b) 50 percent of covered expenses for prosthetic services, including crowns and gold restorations with both (a) and (b) subject to annual deductible of \$50 per individual and annual maximum of \$500; and (c) 50 percent of covered expenses for orthodontic treatment for dependents under age 19, subject to lifetime maximum of \$500 per child.</p> | <p>Increased: Employer payment for benefits (not including the newly-established dental benefits) to \$73.38 a month per employee (included separate on-duty injury premium of \$3.65 per employee) by nonhospital association railroads.¹⁴</p> <p>Employer contribution for dental plan was set at \$8.31 a month per employee.</p> |
| <i>Supplemental sickness benefit plan</i> | | |
| July 1, 1973 (agreement dated May 9, 1973—IBFO, BRC, BBF, IAM, IBEW, SMWIA, BRS). | <p>Established: <i>Supplemental Sickness Benefit Plan</i> for accidental injury or a sickness while insured, and as a result employee was unable to perform any available work in craft or if no job available in craft, unable to perform last job worked before disability.</p> <p><i>Eligibility:</i> Employee had to (1) have 30 days of continuous employment with same participating railroad during which employee was represented by signatory labor organization and (2) be a "qualified employee," with respect to "base year" compensation, under Railroad Unemployment Insurance Act (RUIA). See table 6 for RUIA qualifications and also RUIA benefit rates. (1) above was waived for insured furloughed employee who began work for another participating railroad.</p> <p><i>Benefits:</i> Amounts ranging from (1) for employee eligible for RUIA sickness benefits—\$171 to \$315 a month or \$5.70 to \$10.50 a day, depending on rate of pay (but subject to reduction if RUIA benefits increased over specified limits) or (2) for employees not eligible for RUIA sickness benefits—\$371 to \$515 a month or \$12.37 to \$17.17 a day, depending on rate of pay. (See appendix A.) Offsets were made for annuity payments under Railroad Retirement Act, insurance payments under any other unemployment, sickness or maternity compensation law or for benefits under private plans to which employer contributed, including life insurance, group annuity contract, pension or annuity plan, accident or sickness plan, and off-track vehicle accident benefits.</p> | <p>Carrier financed.</p> <p>BMW and HREU negotiated supplemental sickness plans that differed from plan shown in this table. Other organizations not having such a program had other sick leave arrangements or chose other benefits instead.</p> <p>Benefits were not provided for first 4 days of disability; after 12 months of same disability; noncertified treatment; any day of work for remuneration; a disability that began after start of regular work for participating railroad on position not under agreement with signatory labor organization (unless last job before disability was such a position); self-inflicted injury; injury sustained in commission of crime; injury from war, rebellion, or riot; pregnancy, childbirth, abortion, or miscarriage (unless from injury); period eligible for RUIA sickness benefit but not paid for same for any reason, including failure to apply; after age 65; or disability that began after employment terminated (except where supplemental benefit period extended because vacation period fell during disability period).</p> |
| Jan. 1, 1976 (agreements dated Mar. 25, 1976—IBFO, BRC, BBF, IAM, IBEW, SMWIA). | <p>Changed: <i>Benefits</i>—amounts ranging from (1) for employee eligible for RUIA sickness benefits—\$127 to \$242 a month or \$4.23 to \$8.07 a day, depending on rate of pay (but subject to reduction if RUIA benefits increased over specified limits) or (2) for employee who exhausted RUIA sickness benefits—\$558 to \$764 a month or \$19.60 to \$25.47 a day, depending on rate of pay. (See appendix B.) Previous offsets were continued.</p> | <p>Provisions of BRS supplemental sickness benefit agreement of July 14, 1976, differed somewhat from those shown here.</p> |
| July 1, 1976 (agreements dated Mar. 25, 1976—IBFO, BRC, BBF, IAM, IBEW, SMWIA). | <p>Changed: <i>Benefits</i>—amount for Class 2 and Class 3 employee eligible for RUIA sickness benefits—\$135 or \$66 a month, respectively, or \$4.50 or \$2.20 a day, respectively (subject to reduction if RUIA benefits increased). (See appendix B.)</p> | |

¹The only benefits shown are those included in the national agreements. Local or system agreements contain provisions governing service on rest days, call-in pay, standby pay, guarantees, travel time, waiting time, deadheading, court attendance pay, starting time pay, pay for work on unassigned days, sick leave, change of shift pay, transfer pay, split shift pay, and other work rules.

²While there was no national provision for overtime pay and premium pay for work on weekends or rest days, some local agreements provided for premium pay for work on those days.

³Work on assigned rest days was paid for under local call or rest day rules. Call rules, while not uniform, provided for pay at time and one-half with certain specified minimums. Rest day rules generally provided a full day's pay at time and one-half for employees assigned to relief work on a rest day.

⁴Rules on individual railroads required payment of time and one-half to most classes of nonoperating employees for work on holidays.

⁵Provision in effect prior to 1941. Not applicable to custodians, caretakers, and small nontelegraph agents represented by the Telegraphers.

Footnotes for Table 5—Continued

⁶Former service requirements, 151 days in 1949 and 160 days for each year before 1949, retained for years of prior service.

⁷ConRail and Amtrak employees currently are also job protected under the Regional Rail Reorganization Act of 1973 and the Rail Passenger Act of 1970, respectively.

⁸Monthly allowance provided as follows:

| <i>Length of service</i> | <i>Period of payment</i> |
|-------------------------------------|--------------------------|
| 1 but less than 2 years | 6 months. |
| 2 but less than 3 years | 12 months. |
| 3 but less than 5 years | 18 months. |
| 5 but less than 10 years | 36 months. |
| 10 but less than 15 years | 48 months. |
| 15 years and over | 60 months. |

⁹Lump-sum payment was as follows:

| <i>Length of service</i> | <i>Amount of lump-sum payment</i> |
|-----------------------------------|-----------------------------------|
| Less than 1 year | 5 days for each month of service. |
| 1 but less than 2 years | 3 months. |
| 2 but less than 3 years | 6 months. |
| 3 but less than 5 years | 9 months. |
| 5 years and over | 12 months. |

¹⁰Work or pay guarantees were implicit in the advance notice requirements.

¹¹The insurance premium for employee benefits was adjusted downward, and the cost of dependent benefits was met in part out of the balance available and later through the special account surplus.

¹²Cost of treating on-duty injuries had previously been provided under another type of arrangement.

¹³Under the initial policy and subsequent amendments, benefits were available to individual employees only during the month following a month in which a contribution was made for such employee. In effect, this arrangement made benefits available to employees for 1 month after furlough. The 1960 amendments to the plan extend this period by an additional 3 months.

¹⁴Amount (less 1 percent prior to 1967 and approximately 1 percent starting in 1967) transmitted by nonhospital association railroads to insurers.

During certain periods the amount transmitted equaled the per-employee premium charged by the insurers to provide the benefits indicated; during other periods the amount exceeded the premium, and the excess was credited to the special accounts; during the remaining periods the amount transmitted was supplemented by amounts withdrawn from the special accounts which had been accumulated from the excess transmittals, retroactive rate credits, special payments, and interest on accumulated balances.

Hospital association railroads provided hospital, surgical, and medical benefits for employees through the respective hospital associations, and such benefits for dependents, plus life insurance and accidental death and dismemberment benefits for employees and life insurance for retirees, when applicable, through insurers, at a total per employee contribution liability equivalent to the contribution by non-hospital association railroads.

Table 6. Railroad unemployment insurance provisions

| Effective date | Provision | Applications, exceptions, and other related matters |
|---|---|---|
| July 1, 1939 (Railroad Unemployment Insurance Act of 1938 as amended, P.L. 722, June 21, 1939). | <p>Established: Unemployment benefits financed by payroll tax on taxable compensation. Paid entirely by employer.</p> <p><i>Daily unemployment benefit rate</i>—\$1.75 to \$3, depending on creditable compensation in base year (calendar year before start of fiscal year).¹</p> <p><i>Duration of unemployment benefits</i>—up to 80 days (21½ weeks), with maximum of \$24 per registration period (15 days) and \$240 per benefit year (benefit year began with individual's 1st compensable registration period).</p> | <p>Maximum creditable and taxable compensation was \$300 a month. Base year compensation required for eligibility was \$150.</p> <p>Noncompensable 15-day waiting period containing at least 8 days of unemployment; thereafter, benefits paid for all days of unemployment over 7 in subsequent 15-day registration periods in same year.</p> <p>Employee was disqualified for (a) any day of strike in violation of Railway Labor Act or labor organization, (b) 30 days for voluntary quit without good cause, (c) 30 days for failure to accept suitable work without good cause, (d) 75 days (also possible fine or jail sentence) for making false or fraudulent claim for benefits, or (e) any day for which annuity, unemployment benefits, or other social insurance payments were payable under Federal or State law.</p> |
| Nov. 1, 1940 (P.L. 833, Oct. 10, 1940). | <p>Increased: <i>Daily unemployment benefit rate</i>—to range of \$1.75 to \$4, depending on creditable compensation in base year (changed to calendar year before start of benefit year).²</p> <p>Increased: <i>Duration of unemployment benefits</i>—up to 100 days (20 weeks), with maximum of \$40 per registration period (changed to 14 days) and \$400 per benefit year (changed to uniform year starting July 1).</p> | <p>Changed: Benefits paid for all days of unemployment over 7 in initial registration period in a benefit year and all days of unemployment over 4 for subsequent registration periods in same year.</p> <p>Added: Employee disqualified for 30 days for failure to apply for work or report to unemployment office without good cause and disqualified for any Sunday or holiday not preceded by days of unemployment unless last day of registration period and preceded by day of unemployment.</p> <p>Added: Provision under disqualifications so that if other social insurance payments under other laws were not for unemployment, difference between Railroad Unemployment Insurance Act benefits and other benefits could be paid.</p> |
| July 1, 1946 (P.L. 572, July 31, 1946). | <p>Increased: <i>Daily unemployment benefit rate</i>—to range of \$1.75 to \$5, depending on creditable compensation in base year.³</p> <p>Increased: <i>Duration of unemployment benefits</i>—up to 130 days (26 weeks), with maximum \$50 per registration period and \$650 per benefit year.</p> <p>Established: <i>Sickness benefits</i> effective July 1, 1946 with benefits payable effective July 1, 1947 with same daily benefit rate and duration of benefits as for unemployment benefits and subject to same maximum as for unemployment benefits. Definitions for registration period, base year, and benefit year also were the same as for unemployment benefits.</p> <p>Established: <i>Maternity benefits</i> effective July 1, 1946 with benefits payable effective July 1, 1947 with same daily benefit rate as for unemployment. Benefit period was 116 days, starting 57 days before expected date of birth and ending latter of (a) 115th day after 1st day or (b) 31st day after birth, with a maximum benefit of \$650 per maternity benefit period. Benefits paid for each day in benefit period; payment for the 1st 14 days and 14 days after birth was made at one and one-half times usual rate.</p> | <p>Added: Sickness and maternity benefits under another Federal or State law were social insurance payments that would be disqualifying.</p> <p>Sickness benefits paid for all days of sickness over 7 in initial registration period in a benefit year and all days of sickness over 4 for subsequent registration periods in same year.</p> <p>A day of sickness was any day in which claimant was unable to work because of illness or injury, to which no remuneration was paid or accrued and a statement of sickness (by a doctor) was filed within 10 days.</p> <p>Employee disqualified for sickness benefits for (a) 75 days (also possible fine or jail sentence) for making false or fraudulent claim for benefits, (b) indefinitely from date of refusal to take medical examination, and (c) any day for which social insurance payments were payable under another Federal or State law, except that, if other payments were not for unemployment or sickness, the difference between RUIA benefits and other benefits could be paid.</p> <p>A day of maternity sickness was any day in maternity period for which no remuneration was paid or accrued and a statement of maternity sickness (by a doctor) was filed.</p> <p>Disqualifications for maternity benefits were the same as for sickness benefits.</p> |
| Jan. 1, 1952 (P.L. 234, Oct. 30, 1951). | <p>.....</p> | <p>Added: No day was day of sickness or maternity sickness if no remuneration was paid or accrued because of restrictions in union agreement or because of layover between regular tours of duty.</p> |

See footnotes at end of table.

Table 6 Railroad unemployment insurance provisions—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|---|--|
| July 1, 1952 (P.L. 343, May 15, 1952). | <p>Increased: <i>Daily unemployment and sickness (and maternity) benefit rate</i>—to range of \$3 to \$7.50, depending on creditable compensation in base year.⁴</p> <p>Increased: <i>Unemployment and sickness benefits</i>—maximum benefits to \$75 per registration period and \$975 per benefit year.</p> <p>Increased: Maternity maximum to \$975 per maternity benefit period.</p> | <p>Increased: Base year creditable compensation required for unemployment and sickness eligibility to \$300.</p> |
| July 1, 1954 (P.L. 746, Aug. 31, 1954). | <p>Increased: <i>Daily unemployment and sickness (and maternity) benefit rate</i>—to range of \$3.50 to \$8.50, depending on creditable compensation in base year.⁵ In addition, benefit rate guarantee established of at least 50 percent of last daily rate of pay in base year (maximum, \$8.50).</p> <p>Increased: <i>Unemployment and sickness benefits</i>—maximum benefits to \$85 per registration period and \$1,105 per benefit year. In addition, wage limit established so that total benefits could not exceed total base year creditable compensation.</p> <p>Increased: Maternity maximum to \$1,105 per maternity benefit period. In addition, wage limit established so that total benefits could not exceed total base year creditable compensation.</p> | <p>Increased: Maximum creditable and taxable compensation to \$350 a month.</p> <p>Increased: Base year creditable compensation required for unemployment and sickness eligibility to \$400.</p> |
| Jan. 1, 1958 (P.L. 86-28, May 19, 1959). | <p>Established: <i>Extended unemployment benefits</i>—after exhaustion of normal benefit period, extended benefits started with next day of unemployment and lasted up to (a) for employee with 10-14 years of service—7 consecutive 14-day registration periods (65 additional days of benefits) and (b) for employee with at least 15 years of service—13 consecutive 14-day registration periods (130 additional days of benefits). Temporary extended benefits also were provided less than 10-year employees of up to 65 additional days under certain conditions.⁶</p> | <p>Applicable to those who did not voluntarily quit without good cause or did not voluntarily retire.</p> <p>Added: Accelerated unemployment benefits provision so that employee with 10 years of service not qualified for current year, but qualified for following benefit year, could start following year early if unemployed 14 consecutive days or more.</p> <p>Changing the beginning or the ending of a benefit year by accelerating or extending benefits for one type of benefit also changed the start or end of year for benefits of the other type.</p> |
| July 1, 1958 (P.L. 86-28, May 19, 1959). | <p>Increased: <i>Daily unemployment and sickness (and maternity) benefit rate</i>—to range of \$4.50 to \$10.20, depending on creditable compensation in base year.⁷ Rate guarantee increased to 60 percent of last daily rate of pay in base year (maximum, \$10.20).</p> <p>Increased: <i>Unemployment (normal) and sickness benefits</i>—maximum benefits to \$102 per registration period and \$1,326 per benefit period.</p> <p>Increased: Maternity maximum to \$1,326 per maternity benefit period.</p> | <p>Increased: Base year creditable compensation required for eligibility to \$500.</p> <p>Changed: Benefits paid for all days of unemployment over 4 in initial registration period in a benefit year and all days over 4 for subsequent registration periods in same year.</p> <p>Changed: Sundays and holidays defined as days of unemployment on same basis as other days.</p> <p>Changed: Employee disqualified for unemployment or sickness (and maternity) because of social insurance payments for unemployment, sickness, or maternity under any law (by amendments approved Sept. 6, 1958).</p> |
| June 1, 1959 (P.L. 86-28, May 19, 1959). | <p>.....</p> | <p>Increased: Maximum creditable and taxable compensation after May 1959 to \$400 a month.</p> |
| Apr. 8, 1961 (P.L. 87-7, Mar. 24, 1961). | <p>Added: Temporary extended unemployment benefits were provided up to 65 additional days, but not more than 50 percent of normal benefits or more than 195 days total for benefit year, for all employees who exhausted normal and regular extended benefits under certain conditions.⁸</p> | |
| July 1, 1963 (P.L. 88-133, Oct. 5, 1963). | <p>.....</p> | <p>Increased: Base year creditable compensation required for eligibility to \$750, plus if employee did not previously work in railroad industry, railroad earnings in at least 7 months of base year.</p> <p>Changed (effective Oct. 5, 1963): Employee disqualified for voluntary quit until return to work and employee earned \$750 or more. If voluntary quit was with good cause, disqualified only if eligible for State unemployment benefits.</p> |
| July 1, 1968 (P.L. 90-257, Feb. 15, 1968). | <p>Increased: <i>Daily unemployment and sickness benefit rate</i>—to range of \$8 to \$12.70, depending on creditable compensation in base year.⁹ Rate guarantee continued at 60 percent of last daily rate of pay in base year but maximum increased to \$12.70.</p> <p>Increased: <i>Normal unemployment and normal sickness benefits</i>—maximum benefits to \$127 per registration period and normal maximum of \$1,651 per benefit year.</p> <p>Established: <i>Extended sickness benefits</i>—same as extended unemployment benefits (except for temporary extended unemployment benefits).</p> | <p>Increased: Base year creditable compensation required for eligibility to \$1,000 (previous 7-month test continued for employees new to industry).</p> <p>Changed: Employee disqualified for voluntary quit without good cause until return to work and at least \$1,000 earned.</p> <p>Added: Employee disqualified for unemployment or sickness for separation allowance until end of period about equal to time required to earn amount of separation allowance (effective for days after June 30, 1968 but applied to separation allowances paid after Feb. 15, 1968).</p> <p>Applicable to employees under age 65 who did not voluntarily retire.</p> <p>Added: Accelerated sickness benefits on same basis as accelerated unemployment benefits, except employee had to be under age 65.</p> |

See footnotes at end of table.

Table 6. Railroad unemployment insurance provisions—Continued

| Effective date | Provision | Applications, exceptions, and other related matters |
|--|---|--|
| July 1, 1968—Continued | Eliminated: Maternity benefits as such. Regular sickness benefits made payable effective July 1, 1968 for inability to work because of pregnancy or childbirth. | Added: Day of sickness to include for female employee, days on which unable to work or work would be injurious to health because of pregnancy, miscarriage, or childbirth. |
| July 1, 1975 (P.L. 93-94, Aug. 9, 1975). | Increased: <i>Daily unemployment and sickness benefit rate</i> —to amount equal to 60 percent of last daily rate of pay in base year with a minimum of \$12.70 and a maximum of \$24 (\$25 effective July 1, 1976). Increased: <i>Normal unemployment and normal sickness benefits</i> —maximum benefit to \$240 (\$250 effective July 1, 1976) per registration period and \$3,120 (\$3,250 effective July 1, 1976) per benefit year. Normal benefits could not exceed total base year compensation counting earnings up to \$775 a month. Added: <i>Extended unemployment benefits</i> —employee with less than 10 years of service could receive benefits for up to 7 consecutive 14-day registration periods (65 additional days), but (a) unemployment cannot become compensable until a "period of high unemployment" has begun and (b) such extended benefits cannot exceed one-half base year compensation counting earnings up to \$775 a month. Extended benefits to employees with less than 10 years of service previously were provided on a temporary basis under certain conditions. | Changed: Employee new to industry required to have earnings in at least 5 months (was 7) of 1st year in industry. Changed: Benefits paid for all days of sickness after an initial 4 consecutive sick days in first registration period in a benefit year and all days over 4 for subsequent registration periods in same year. |

¹Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$150 - \$199 | 1.75 |
| 200 - 474 | 2.00 |
| 475 - 749 | 2.25 |
| 750 - 1,024 | 2.50 |
| 1,025 - 1,299 | 2.75 |
| 1,300 and over | 3.00 |

| | |
|----------------|------|
| 1,300 - 1,599 | 5.50 |
| 1,600 - 1,999 | 6.00 |
| 2,000 - 2,499 | 6.50 |
| 2,500 - 2,999 | 7.00 |
| 3,000 - 3,499 | 7.50 |
| 3,500 - 3,999 | 8.00 |
| 4,000 and over | 8.50 |

²Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$150 - \$199 | 1.75 |
| 200 - 474 | 2.00 |
| 475 - 749 | 2.25 |
| 750 - 999 | 2.50 |
| 1,000 - 1,299 | 3.00 |
| 1,300 - 1,599 | 3.50 |
| 1,600 and over | 4.00 |

⁶Temporary extended unemployment benefits were applicable to those who exhausted normal benefits after June 30, 1957 and before Apr. 1, 1959 and were payable for registration periods begun June 19, 1958 through June 30, 1959.

⁷Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$500 - \$699 | 4.50 |
| 700 - 999 | 5.00 |
| 1,000 - 1,299 | 5.50 |
| 1,300 - 1,599 | 6.00 |
| 1,600 - 1,899 | 6.50 |
| 1,900 - 2,199 | 7.00 |
| 2,200 - 2,499 | 7.50 |
| 2,500 - 2,799 | 8.00 |
| 2,800 - 3,099 | 8.50 |
| 3,100 - 3,499 | 9.00 |
| 3,500 - 3,999 | 9.50 |
| 4,000 and over | 10.20 |

³Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$150 - \$199 | 1.75 |
| 200 - 474 | 2.00 |
| 475 - 749 | 2.25 |
| 750 - 999 | 2.50 |
| 1,000 - 1,299 | 3.00 |
| 1,300 - 1,599 | 3.50 |
| 1,600 - 1,999 | 4.00 |
| 2,000 - 2,499 | 4.50 |
| 2,500 and over | 5.00 |

⁸Temporary extended unemployment benefits were applicable to those who exhausted normal and regular extended benefits after June 30, 1960 and before Apr. 1, 1962 and were payable for registration periods during such period starting Apr. 8, 1961 and before July 1, 1962, but after Apr. 1, 1962 only if previously entitled.

⁴Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$300 - \$474 | 3.00 |
| 475 - 749 | 3.50 |
| 750 - 999 | 4.00 |
| 1,000 - 1,299 | 4.50 |
| 1,300 - 1,599 | 5.00 |
| 1,600 - 1,999 | 5.50 |
| 2,000 - 2,499 | 6.00 |
| 2,500 - 2,999 | 6.50 |
| 3,000 - 3,499 | 7.00 |
| 3,500 and over | 7.50 |

⁹Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$1,000 - \$1,299 | \$8.00* |
| 1,300 - 1,599 | 8.50 |
| 1,600 - 1,899 | 9.00 |
| 1,900 - 2,199 | 9.50 |
| 2,200 - 2,499 | 10.00 |
| 2,500 - 2,799 | 10.50 |
| 2,800 - 3,099 | 11.00 |
| 3,100 - 3,499 | 11.50 |
| 3,500 - 3,999 | 12.00 |
| 4,000 and over | 12.70 |

⁵Benefit rate was determined as follows:

| Creditable compensation | Benefit rate |
|-------------------------|--------------|
| \$400 - \$499 | 3.50 |
| 500 - 749 | 4.00 |
| 750 - 999 | 4.50 |
| 1,000 - 1,299 | 5.00 |

*Employees with \$750-\$999 creditable compensation qualified for 1968-69 benefit year, but were not entitled to increased daily rate.

Table 7. Railroad retirement system

| Effective date (unless noted) | Provision | Applications, exceptions, and other related matters | | | | | | | | | | |
|--|--|--|----------------|-------------------|------------|---------------|-------------|--|------------|------------|-----|--|
| A. Payroll tax and other financing | | | | | | | | | | | | |
| Aug. 29, 1935 (1935 Act, P.L. 400, Aug. 29, 1935). | 7 percent of taxable compensation had been scheduled to be paid through Feb. 28, 1937 (payable half by employer and half by employee), but no such taxes were paid due to court rulings. | | | | | | | | | | | |
| Jan. 1, 1937 (1937 Act, P.L. 174, June 29, 1937). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1937-39</td> <td style="text-align: right;">5.5</td> </tr> <tr> <td>1940-42</td> <td style="text-align: right;">6.0</td> </tr> <tr> <td>1943-45</td> <td style="text-align: right;">6.5</td> </tr> <tr> <td>1946</td> <td style="text-align: right;">7.0</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1937-39 | 5.5 | 1940-42 | 6.0 | 1943-45 | 6.5 | 1946 | 7.0 | Payroll tax was payable one-half by employer and one-half by employee. ² Beginning July 1, 1937, railroad retirement system took over pensioners on carrier rolls on Mar. 1, 1937. |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1937-39 | 5.5 | | | | | | | | | | | |
| 1940-42 | 6.0 | | | | | | | | | | | |
| 1943-45 | 6.5 | | | | | | | | | | | |
| 1946 | 7.0 | | | | | | | | | | | |
| Jan. 1, 1947 (P.L. 572, July 31, 1946). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1947-48</td> <td style="text-align: right;">11.5</td> </tr> <tr> <td>1949-51</td> <td style="text-align: right;">12.0</td> </tr> <tr> <td>1952 and after</td> <td style="text-align: right;">12.5</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1947-48 | 11.5 | 1949-51 | 12.0 | 1952 and after | 12.5 | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1947-48 | 11.5 | | | | | | | | | | | |
| 1949-51 | 12.0 | | | | | | | | | | | |
| 1952 and after | 12.5 | | | | | | | | | | | |
| Nov. 1, 1951 (P.L. 234, Oct. 30, 1951). | | Railroad retirement system paid Old Age and Survivors Insurance (OASI) contributions on railroad payrolls and received the additional benefits that would be payable under the Social Security Act (SSA) on the basis of railroad service. This financial interchange provision was retroactive to Jan. 1, 1937. | | | | | | | | | | |
| July 1, 1956 (1956 Amendments, Aug. 7, 1956). | | Financial interchange extended to Disability Trust Fund. | | | | | | | | | | |
| June 1, 1959 (P.L. 86-28, May 19, 1959). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>6/59-61</td> <td style="text-align: right;">13.5</td> </tr> <tr> <td>1962-64</td> <td style="text-align: right;">14.5</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 6/59-61 | 13.5 | 1962-64 | 14.5 | | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 6/59-61 | 13.5 | | | | | | | | | | | |
| 1962-64 | 14.5 | | | | | | | | | | | |
| Jan. 1, 1965 (P.L. 87-64, June 30, 1961). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1/65-9/65</td> <td style="text-align: right;">16.25</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1/65-9/65 | 16.25 | | | | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1/65-9/65 | 16.25 | | | | | | | | | | | |
| Oct. 1, 1965 (P.L. 89-212, Sept. 29, 1965). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>10/65-12/65</td> <td style="text-align: right;">14.25</td> </tr> <tr> <td>1966</td> <td style="text-align: right;">15.20 (0.7)</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 10/65-12/65 | 14.25 | 1966 | 15.20 (0.7) | Rates shown do not include Health Insurance tax rates for Medicare Part A (which are shown separately in parentheses) payable one-half by employer and one-half by employee. Financial interchange provisions provided for collection of Health Insurance taxes by Railroad retirement system although such benefits were to be paid directly by the Social Security Administration. | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 10/65-12/65 | 14.25 | | | | | | | | | | | |
| 1966 | 15.20 (0.7) | | | | | | | | | | | |
| Nov. 1, 1966 (P.L. 89-699, Oct. 30, 1966). | Established: Tax on employers of 2 cents per compensated hour to finance supplemental annuities. | Tax credits were allowed for reduction in supplemental annuities due to private pensions. | | | | | | | | | | |
| Jan. 1, 1967 (P.L. 89-699, Oct. 30, 1966). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1967</td> <td style="text-align: right;">16.3 (* 0)</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1967 | 16.3 (* 0) | | | | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1967 | 16.3 (* 0) | | | | | | | | | | | |
| Jan. 1, 1968 (P.L. 90-257, Jan. 2, 1968). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1968</td> <td style="text-align: right;">16.6 (1.2)</td> </tr> <tr> <td>1969-70</td> <td style="text-align: right;">17.9 (1.2)</td> </tr> <tr> <td>1971-72</td> <td style="text-align: right;">18.7 (1.2)</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1968 | 16.6 (1.2) | 1969-70 | 17.9 (1.2) | 1971-72 | 18.7 (1.2) | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1968 | 16.6 (1.2) | | | | | | | | | | | |
| 1969-70 | 17.9 (1.2) | | | | | | | | | | | |
| 1971-72 | 18.7 (1.2) | | | | | | | | | | | |
| Mar. 17, 1970 (P.L. 91-215, Mar. 17, 1970). | Changed: Tax on employers for supplemental annuities to "pay-as-you-go" basis. | Employers to pay taxes at rate determined quarterly by Railroad Retirement Board. Tax not paid for employees covered by negotiated pension plans, but RRA supplemental account reimbursed for costs incurred by these people (effective Apr. 1, 1970). | | | | | | | | | | |
| Jan. 1, 1973 (P.L. 92-336, July 1, 1972). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1973</td> <td style="text-align: right;">19.2 (2.0)</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1973 | 19.2 (2.0) | | | | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1973 | 19.2 (2.0) | | | | | | | | | | | |
| Oct. 1, 1973 (P.L. 93-69, July 10, 1973). | | Effective Oct. 1, 1973, employee tax rate reduced to SSA employee contribution rate; balance of combined rate paid by employer (i.e., rate equal to employee rate plus 9.5 percentage points). ² | | | | | | | | | | |
| Jan. 1, 1974 (P.L. 93-233, Dec. 31, 1973). | Rate on taxable compensation: ¹ <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;"><i>Period</i></td> <td style="text-align: right;"><i>Percent</i></td> </tr> <tr> <td>1974-77</td> <td style="text-align: right;">19.4 (1.8)</td> </tr> </table> | <i>Period</i> | <i>Percent</i> | 1974-77 | 19.4 (1.8) | | | | | | | |
| <i>Period</i> | <i>Percent</i> | | | | | | | | | | | |
| 1974-77 | 19.4 (1.8) | | | | | | | | | | | |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | Applications, exceptions, and other related matters |
|---|---|--|
| A. Payroll tax and other financing—Continued | | |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | | Supplemental annuity employer tax collected on same basis as before ("pay-as-you-go") assuming supplemental annuity range of \$45-\$70 even though such annuity to range from \$23-\$43 starting in 1975. The excess funds transferred to the regular annuity account to offset increases in regular annuities as a result of elimination of reduction (for those receiving lower supplemental annuity) for supplemental annuity (no net change in system funding). General funds of Treasury to assume cost of paying the "windfall benefit" phase-out costs. Tier-1 rates (payable one-half by employer and one-half by employee) applied to SSA taxable compensation and Tier-2 rates (payable by employer) applied to RRA taxable compensation. (See Section B of this table). |
| Jan. 1, 1978 (P.L. 95-216, Dec. 20, 1977). | Rate on taxable compensation: ¹ <i>Period</i> 1978 .....10.1 (2.0) 9.5 1979-80 .....10.16 (2.1) 9.5 1981 .....10.7 (2.6) 9.5 1982-84 .....10.8 (2.6) 9.5 1985 .....11.4 (2.7) 9.5 1986-89 .....11.4 (2.9) 9.5 1990 and after .....12.4 (2.9) 9.5 <i>Percent</i> <i>Tier 1 Tier 2</i> | |

| Effective date (unless noted) | Provision | Applications, exceptions, and other related matters |
|-------------------------------|-----------|---|
|-------------------------------|-----------|---|

| B. Computation of employee annuities | | | | |
|--|--|---|--|--|
| Effective date (unless noted) | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | Applications, exceptions, and other related matters |
| Aug. 29, 1935 (1935 Act, P.L. 399, Aug. 29, 1935). | Basic annuity: Years of service times factor equal to 2 percent of 1st \$50 of AMC, plus 1.5 percent of next \$100, plus 1 percent of remainder. | Average based on total creditable compensation for all creditable service; 1924-31 average used for service before 1937 (see 1937 Act). | Up to \$300 a month. | Maximum 30 years of creditable service allowed (continuity not required). Service before enactment date (Aug. 29, 1935) credited only if employee connected with industry on or after that date. Reduction for retirement after age 65 unless by agreement. No limit on creditable years of service except 30-year maximum when service before 1937 used. For crediting service before 1937, employment status or connection with industry on Aug. 29, 1935 required. Service after age 65 not credited. Minimum employee benefit generally \$40 for employees in service at age 65 with 20 years' service. Annuity not payable for any month of work for employer under Railroad Retirement Act (RRA) or last non-railroad employer. Service before 1937 generally could be credited if employee had 6 months of service after Aug. 29, 1935 and before 1946 (effective July 31, 1946). Military service performed during war or emergency period also creditable if preceded by RR service in same or preceding year. |
| Jan. 1, 1937 (1937 Act, P.L. 162, June 24, 1937). | | If service in 1924-31 insufficient for equitable average, Board could use another method. Compensation after age 65 used if it raised average. | | |
| Jan. 1, 1947 (P.L. 572, July 31, 1946). | | No compensation after age 65 used. | Military service after 1936 creditable at rate of \$160 a month. | |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|---|---|--|--|
| B. Computation of employee annuities—Continued | | | | |
| | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | |
| Jan. 1, 1947— Continued. | | | | <p>Changed: Minimum monthly employee benefit least of (a) \$50, (b) \$3 times years of service, or (c) average monthly compensation applicable to employee with 5 years of service with current connection (generally defined as 12 months of service in the 30 months before retirement).</p> <p>Disability annuity terminated if annuitant under age 65 earned \$75 or more in 6-month period.</p> |
| July 1, 1948 (P.L. 744, June 23, 1948). | Annuity factor increased 20 percent, to 2.4 percent of 1st \$50 of AMC, plus 1.8 percent of next \$100, plus 1.2 percent of remainder. | ..... | ..... | <p>Increased: Minimum monthly employee benefit least of (a) \$60, (b) \$3.60 times years of service, or (c) average monthly compensation.</p> |
| Nov. 1, 1951 (P.L. 234, Oct. 30, 1951). | Annuity factor increased 15 percent, to 2.76 percent of 1st \$50 of AMC, plus 2.07 percent of next \$100, plus 1.38 percent of remainder. | Compensation after age 65 used on a par with other compensation. | ..... | <p>Service after age 65 used as creditable service.</p> <p>Added: Reduction in employee annuity due to service before 1937 by amount of SSA benefit.</p> <p>Increased: Minimum monthly employee benefit least of (a) \$69, (b) \$4.14 times years of service, or (c) average monthly compensation. SSA minimum family guarantee introduced to insure that RRA benefits would be no less than benefits the SSA would have paid based on railroad service alone. Benefits computed under this formula therefore would increase automatically when SSA benefits increased.</p> <p>Benefits calculated under the RRA formula for employee annuitants, however, would generally produce a higher amount. Additional work restrictions applied to annuitants receiving benefits under the guarantee.</p> |
| Sept. 1, 1954 (P.L. 746, Aug. 31, 1954). | ..... | Compensation and service after year of 65th birthday used only if it raised benefit amount (retroactive to Nov. 1, 1951). | Up to \$350 a month for service after June 1954. | <p>Changed: The additional restriction for disability annuitants to suspension for each month with earnings (from other than employer covered by RRA or last nonrailroad employer) over specified amount (with penalty for not reporting such earnings).</p> |
| July 1, 1956 (P.L. 1013, Aug. 7, 1956). | Annuity factor increased 10 percent, to 3.04 percent of 1st \$50 of AMC, plus 2.28 percent of next \$100, plus 1.52 percent of remainder. | ..... | ..... | <p>Increased: Minimum monthly employee benefit least of (a) \$75.90, (b) \$4.55 times years of service, or (c) average monthly compensation.</p> <p>Eliminated: Reduction in employee annuity because of SSA benefit.</p> |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|---|--|--|---|
| B. Computation of employee annuities—Continued | | | | |
| | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | |
| Sept. 6, 1958 (P.L. 85-927, Sept. 6, 1958). | ..... | Average rounded to last full dollar. | ..... |  |
| June 1, 1959 (P.L. 86-28, May 19, 1959). | Annuity factor increased 10 percent, to 3.35 percent of 1st \$50 of AMC, plus 2.51 percent of next \$100, plus 1.67 percent of remainder. | ..... | Up to \$400 a month for ser- vice after May 1959. | Increased: Minimum monthly employee benefit least of (a) \$83.50, (b) \$5 times years of service, or (c) 110 percent of average monthly compensation. Increased: SSA minimum guarantee for family benefits raised to 110 per- cent. |
| Nov. 1, 1963 (P.L. 88-133, Oct. 5, 1963). | ..... | ..... | Up to \$450 a month for ser- vice after Oct. 1963. | |
| Jan. 1, 1965 (P.L. 89-212, Sept. 29, 1965). | ..... | ..... | Monthly maximum after Sept. 1965 changed to 1/12 of SSA annual max- imum but not less than \$450 (\$550 for service after Dec. 1965). | |
| Nov. 1, 1966 (P.L. 89-699, Oct. 30, 1966). | Annuity Factor on 1st \$450 of AMC increased 7 per- cent resulting in following factor: 3.58 percent of 1st \$50 of AMC, plus 2.69 per- cent of next \$100, plus 1.79 percent of next \$300, plus 1.67 percent of re- mainder. Subject to partial reduction for receipt of SSA benefits (but not to amount less than would have been payable under previous law). Supplemental annuity estab- lished for longer service employees, of \$45 for 25 years of service, plus \$5 for each year of service over 25 (maximum \$70), reduced by amount of private railroad pension attributable to employer contributions. Regular annuity computed under previous law if sup- plemental annuity pay- able. Feb. 1, 1968 (P.L. 90-257, Feb. 15, 1968). Basic annuity factor to 3.58 percent of 1st \$50 of AMC, plus 2.69 percent of next \$100, plus 1.79 percent of remainder, with no reduc- tion for SSA benefits. Table increase ranging from \$10 to \$31.46, depending on AMC, added to basic annuity (see opposite schedule), subject to re- duction if eligible for sup- plemental annuity and/or SSA benefit. The provision that regular annuity be computed with previous law if supple- mental annuity was pay- able (see 1966 listing in this section) was elimi- nated. | ..... | Up to \$650 a month for ser- vice after 1967. Military service after 1967 creditable at rate of \$260 a month. | Increased: Minimum monthly employee benefit least of (a) \$89.35, (b) \$5.35 times years of service, (c) 118 percent of average monthly compensation if no supplemental annuity payable, or (d) guaranteed 7 percent increase in com- bination of basic and sup- plemental annuities (sub- ject to partial reduction if eligible for SSA benefits). Supplemental annuity was available to those awarded regular annuities after June 30, 1966. |
| | | | | Table increase: AMC Increase Up to \$100 \$10.00 \$101-150 11.22 151-200 12.87 201-250 14.63 251-300 16.17 301-350 17.82 351-400 19.47 401-450 20.90 451-500 22.55 501-550 24.09 551-600 27.83 601 and over 31.46 |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|---|---|---|---|
| B. Computation of employee annuities—Continued | | | | |
| | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | |
| Feb. 1, 1968— Continued. | | | | Minimum table increase was \$10 less reduction for supplemental annuity or, if none, \$10 minus 5.8 percent of lesser of 1967 SSA benefit or basic annuity. Table increase with offsets as in basic formula added to basic RRA minimum. |
| Jan. 1, 1970 (P.L. 91-377, Aug. 12, 1970). | Basic annuity benefit under 1968 law increased by 15 percent (\$50 maximum for employee annuitant) effective for period Jan. 1970 through June 1972, with the 15 percent increase subject to reduction if employee eligible for SSA benefit (but not below \$10 for employee annuitant). ⁴ | ..... | ..... | Minimum monthly employee benefit increased same as for basic annuity formula. |
| Jan. 1, 1971 (P.L. 92-46, July 2, 1971). | Basic annuity benefit under 1968 law as increased by 1970 law increased by 10 percent effective for period Jan. 1971 through June 1973. | ..... | Up to \$750 a month for service after 1971. | Minimum monthly employee benefit increased same as for basic annuity formula. |
| Sept. 1, 1972 (P.L. 92-460, Oct. 4, 1972). | Basic annuity benefit under 1968 law as increased by 1970 and 1971 laws increased by 20 percent effective for period Sept. 1972 through June 1973. | ..... | Up to \$900 a month for service in 1973. Monthly maximum for years after 1974 subject to automatic adjustment according to changes in national wage levels. | Minimum monthly employee benefit increased same as for basic annuity formula. |
| July 1, 1973 (P.L. 93-69, July 10, 1973). | Basic annuity benefit increases of 1970, 1971, and 1972 extended for 18 months through Dec. 1974. Basic annuity formula unchanged but increases in SSA benefits during period July 1, 1973 through Dec. 31, 1974 were to be "passed through" to annuitants (see opposite paragraph). | ..... ..... | Up to \$1,100 a month for service in 1974. First automatic adjustment to be applicable in 1975 as originally scheduled. | "Pass-through" arrangement—in event SSA benefit increased during July 1, 1973-Dec. 31, 1974 period, annuitants received increases equal to dollar amounts received by SSA beneficiaries with equivalent wage credits (increases not subject to offsets if annuitant also entitled to SSA benefits). SSA benefits subsequently were increased by 11 percent in 2 stages which resulted in increases for railroad annuitants effective Mar. 1, 1974 and June 1, 1974. |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | Annuity formula revised to provide two-tier system of annuities to phase out separate entitlements to both railroad retirement and social security benefits, and a "windfall" benefit was added to compensate long-service employees for loss of dual benefits earned before 1975. | Pre-1975 AMC based on total creditable compensation for all creditable service before 1975; 1924-31 average used if available for service before 1937. Post-1974 AMC based on total creditable compensation for all creditable service after 1974. | Up to \$1,175 a month for service in 1975, \$1,275 in 1976, and \$1,375 in 1977. Military service after 1974 creditable up to SSA maximum on taxable wages. | Every employee who was entitled to a benefit under the 1935 or 1937 Railroad Retirement Acts as of Dec. 31, 1974, to be entitled to benefit under the 1974 Act. This amount was to be at least as large as the benefit under the 1937 Act and was divided into Tier 1 and Tier 2 for purposes of computing cost-of-living increases. |

See footnotes at end of table.

Table 7 Railroad retirement system—Continued

| Effective date (unless noted) | Provision | Applications, exceptions, and other related matters | |
|---|--|---|--|
| B. Computation of employee annuities—Continued | | | |
| Jan. 1, 1975— Continued | <p style="text-align: center;">Employee monthly annuity formula</p> <p><i>Basic annuity formula was:</i></p> <p>(1) <i>Tier-1</i>—every employee had benefit based on social security benefit formula using combined railroad and social security earnings (up to the SSA annual limit), reduced by any social security benefit payable (those not eligible under SSA were given a deemed Tier-1 benefit) and if employee was entitled to full annuity under RRA the Tier-1 amount would not be reduced for early retirement even though it would be under SSA; and</p> <p>(2) <i>Tier-2</i>—a benefit, paid on top of Tier-1 amount, based on employee's service and taxable compensation in railroad industry only and calculated as follows:</p> <p>(a) <i>Past service annuity</i>—for pre-1975 railroad service, an amount as calculated under 1937 Act as amended, reduced for imputed benefit calculated under social security formula based on railroad service before 1975 alone; plus</p> <p>(b) <i>Past service bonus</i>—for those with some creditable service after 1974, \$1.50 a month for each of 1st 10 years of service before 1975, plus \$1 a month for each additional year of service before 1975; plus</p> <p>(c) <i>Future service component</i>—for post-1974 railroad service, 0.5 percent of AMC for each year of creditable service after 1974, plus \$4 for each year of service after 1974.</p> <p><i>Supplemental annuity</i>—for those awarded such annuity after 1974, \$23 for 25 years of service plus \$4 for each year of service over 25 (maximum \$43), reduced by amount of private railroad pension attributable to employer contributions. No longer reduction in basic annuity because of supplemental annuity for those receiving \$23 to \$43 rate. For employees retired before 1975, previous supplemental annuity amounts paid.</p> <p><i>Dual benefit windfall</i>—for those with vested rights⁵ to both railroad retirement and social security benefits as of Dec. 31,</p> | <p style="text-align: center;">Average monthly compensation (AMC)³</p> <p>Compensation and service after 65th birthday used only if it raised benefit amount.</p> | <p style="text-align: center;">Creditable (taxable) compensation</p> <p>Established: Automatic cost-of-living increases in retirement benefits as follows—</p> <p><i>Tier 1</i>—benefits of railroad annuitants to rise automatically by same percentage as social security benefits, whenever the latter were increased (previously, increases in railroad benefits to match social security had to be legislated, except for cases paid under the special SSA minimum guarantee).</p> <p><i>Tier-2</i>—</p> <p>(A) <i>Before retirement</i>—4 fixed increases effective Jan. 1, of 1978, 1979, 1980, and 1981 for those retiring after the last of the 4 adjustments as follows—</p> <p>(1) <i>Past service annuity</i>—increased by 65 percent of change in BLS-CPI from Sept. 1976 and Sept. of the year preceding year (but not after 1981) in which employee retired.</p> <p>(2) <i>Past service bonus</i>—no increase.</p> <p>(3) <i>Future service annuity</i>—</p> <p>(a) Portion that gave \$4 per year of service after 1974 was fully adjusted by same percentage increase as in (A) (1) above.</p> <p>(b) Portion that gave 0.5 percent of AMC per year of service after 1974 was increased by same percentage as in (A) (1) above, but offset by difference between amount based on AMC limited by 1980 railroad retirement maximum and the amount based on AMC limited by the 1976 railroad retirement maximum (offset intended to eliminate effect of any duplication between cost-of-living increases and rise in monthly taxable limit after 1976).</p> <p>(B) <i>After retirement</i>—for beneficiaries on the rolls on May 31 of 1977, 1978, 1979, and 1980, increases effective June 1 of such years in Tier 2 <i>past service annuity</i> (but not <i>past service bonus</i>) and <i>future service annuity</i> of 32.5 percent of the increase in the CPI between the 1st quarter of the prior year and the 1st quarter of the current year. In addition, an employee who retires between Jan. 1 and June 1 in the years 1978-1980 could receive in year of retirement separate cost-of-living increases both as a non-retired and retired employee.</p> <p><i>Windfall dual benefit</i>—was frozen at the 1974 level except that social security cost-of-living increases between Dec. 31, 1974</p> |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|---|--|--------------------------------------|--|
| B. Computation of employee annuities—Continued | | | | |
| Jan. 1, 1975— Continued. | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | |
| | <p>1974 (or end of year of last railroad employment before 1975)⁶, an amount by which the sum of the benefits that would have been payable under the social security formula on service before 1975 (or end of year of last railroad employment before 1975)⁹, based (a) solely on railroad service, and (b) solely on social security credits, exceeded (c) the corresponding benefit based on combined railroad and social security earnings.</p> | | | |

and the annuity beginning date were to be included in calculation. The windfall was to be increased as it would have been under automatic cost-of-living adjustment and windfall benefit would not increase as a result of any general benefit increases enacted by Congress.

Grandfather clause—annuity of employee and spouse retiring during 8 years after change-over date (Jan. 1, 1975) could not be less than they would have received under the 1937 Act not counting any SSA benefits.

Tax rebate lump-sum—employee with at least 10 years' service and not eligible for the "windfall" to receive lump sum at retirement computed by summing for each year from 1951 through 1974, the product of the SSA tax rate times excess of employee's combined earnings for the year over (approx.) the maximum creditable for the year under the 1937 Act. (Survivors could receive the refund if employee died before receiving it).

A year of creditable service was 12 months, but remainder of 6 months or more rounded to full year; 5 months or less counted as value of fraction. Minimum of 120 months required to meet 10-year service requirement.

Past service bonus was not payable, as result of P.L. 94-93 enacted Aug. 9, 1975, to those retired before 1975 unless employee returned to railroad service and completed 12 months post-1974 railroad service or if disability annuitant returned to railroad service after recovery. (Retroactive to Jan. 1, 1975.)

Added: Tier-1 portion of annuity based on railroad earnings after 1974 and for all SSA earnings was subject to SSA work restriction if insured on basis of such earnings as were windfall dual benefits. Other RRA work restrictions were continued.

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | | Applications, exceptions, and other related matters |
|---|--|---|---|---|--|
| B. Computation of employee annuities—Continued | | | | | |
| | Employee monthly annuity formula | Average monthly compensation (AMC) ³ | Creditable (taxable) compensation | | |
| June 1, 1975 | Increased: Tier-1 benefit as a result of 8 percent cost-of-living adjustment factor. | ..... | ..... |  |  |
| June 1, 1976 | Increased: Tier-1 benefit as a result of 6.4 percent cost-of-living adjustment factor. | ..... | ..... |  |  |
| June 1, 1977 | Increased: Tier-1 benefit as a result of 5.9 percent cost-of-living adjustment factor and Tier-2 after retirement benefit as a result of 1.9 percent cost-of-living adjustment factor. | ..... | ..... |  |  |
| Jan. 1, 1978 | Increased: Tier-2 before retirement benefit as a result of 4.3 percent cost-of-living adjustment factor. | ..... | Up to \$1,475 for 1978 for SSA and RRA. | | |
| June 1, 1978 | Increased: Tier-1 benefit as a result of 6.5 percent cost-of-living adjustment factor and Tier-2 after retirement benefit as a result of 2.1 percent cost-of-living adjustment factor. | ..... | ..... |  |  |
| Jan. 1, 1979 | Increased: Tier-2 before retirement benefit as a result of 10 percent cost-of-living adjustment factor. | ..... | Up to 1,575 for 1979 for RRA and to \$1,908.33 for 1979, \$2,158.33 for 1980, and \$2,475 for 1981 for SSA. | | |
| June 1, 1979 | Increased: Tier-1 benefit as a result of 9.9 percent cost-of-living adjustment factor and Tier-2 after retirement benefit as a result of 3.2 percent cost-of-living adjustment factor. | ..... | ..... |  |  |
| C. Types of employee annuities | | | | | |
| | Normal age | Prenormal age | Total and permanent disability | Occupational disability | |
| Aug. 29, 1935 (1935 Act, P.L. 399, Aug. 29, 1935). | Payable to those retiring at age 65 (penalty for later retirement). | Payable to those retiring at ages 50-64 with 30 years of service, actuarially reduced. | Payable to those retired because of physical or mental disability under age 65 with 30 years of service. | ..... |  |
| Jan. 1, 1937 (1937 Act, P.L. 162, June 24, 1937). | Eliminated: Penalty for retirement after age 65. | Changed: Payable to those retiring at ages 60-64 with 30 years of service, actuarially reduced. | Added: Benefit payable under age 65 with 30 years of service if totally and permanently disabled. Actuarially reduced benefit for those totally and permanently disabled retiring at ages 60-64 with less than 30 years of service. | ..... |  |
| Jan. 1, 1947 (P.L. 572, July 31, 1946). | ..... | Eliminated: Actuarial reduction for women. | Changed: Payable to those totally and permanently disabled retiring under age 60 with 10 years of service or at ages 60-64 regardless of service. Reduction eliminated. | Added: Payable to those occupationally disabled retiring under age 60 with 20 years of service or ages 60-64 regardless of service (current connection required.) | Current connection generally defined as 12 months of service in the 30 months before retirement. |
| Nov. 1, 1957 (P.L. 234, Oct. 30, 1951). | Added: 10-year overall service retirement. | ..... | Added: 10-year overall service requirement. | Added: 10-year overall service requirement. | |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | | Applications, exceptions, and other related matters |
|---|---|--|-----------------------------------|----------------------------|--|
| C. Types of employee annuities—Continued | | | | | |
| | Normal age | Prenormal age | Total and permanent disability | Occupational disability | |
| June 1, 1959 (1959 Amendments, May 19, 1959). | ..... | Added: Actuarially reduced annuity for women retiring at ages 62-64 with 10 but less than 30 years of service. | ..... | ..... |  |
| Oct. 1, 1961 (P.L. 87-285, Sept. 22, 1961). | ..... | Added: Actuarially reduced annuity for men retiring at ages 62-64 with 10 but less than 30 years of service. | ..... | ..... |  |
| Nov. 1, 1966 (P.L. 89-699, Oct. 30, 1966). | Added: Supplemental annuity for annuitant at age 65 or over (awarded after June 1966) with 25 years of service or more with current connection (payable through Oct. 1971). | See Normal age. | See Normal age. | See Normal age. | |
| Mar. 17, 1970 (P.L. 91-215, Mar. 17, 1970). | Supplemental annuity made permanent with forfeiture for railroad service beyond certain "closure dates." | See Normal age. | See Normal age. | See Normal age. | |
| July 1, 1973 (P.L. 93-69, July 10, 1973). | ..... | Changed: For men retiring after June 1974 at least age 60 with 30 years of service or more, an unreduced basic annuity (previously only female employees had been granted this advantage). | ..... | ..... |  |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | Added: Supplemental annuity for those retiring after June 1974 at age 60 with 30 years of service or more (current connection required). | See Normal age. | See Normal age. | See Normal age. | |

D. Spouse benefit (wives and dependent husbands)

| | Eligibility | Amount | Reduction in spouse's benefit | |
|--|--|---|---|--|
| Nov. 1, 1951 (P.L. 234, Oct. 30, 1951). | Spouse eligible if retired employee was age 65 and (a) spouse age 65, or (b) young wife with minor child who would be entitled to survivor's benefits if employee were to die. | One-half of employee's annuity before any offsets. Maximum \$40 a month. | Reduced by other RRA annuity or SSA benefit based on spouse's own earnings. (if spouse also eligible for SSA spouse benefit, annuity reduced only by amount SSA-OASDI benefit exceeded SSA spouse benefit.) | Same work restrictions as for annuitants and payable only when employee annuity payable. Special SSA minimum guarantee for family benefits provided that RRA benefits would be no less than benefit SSA would have paid based on railroad service alone. |
| Sept. 1, 1954 (P.L. 746, Aug. 31, 1954). | Added: Young wife with disabled child age 18 or older, if disabled before age 18, who would be eligible for survivor's benefit if employee were to die. | ..... | ..... |  |
| Sept. 1, 1955 (P.L. 383, Aug. 13, 1955). | ..... | Increased: Maximum to highest spouse amount possible under SSA (\$54.30 in 1955). | ..... |  |

See footnotes at end of table

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | Applications, exceptions, and other related matters | | |
|--|--|---|---|---|
| D. Spouse benefit (wives and dependent husbands)—Continued | | | | |
| | Eligibility | Amount | Reduction in spouse's benefit | |
| May 1, 1959 (P.L. 86-28, May 19, 1959). | Added: Actuarially reduced annuities for spouse age 62-64 if retired employee age 65. | Changed: Maximum to 110 percent of highest spouse amount possible under SSA (\$69.90 in Feb. 1960). | ..... |  |
| Oct. 1, 1961 (P.L. 87-285, Sept. 22, 1961). | Changed: Period of marriage requirement to 1 year (from 3) and eliminated if eligible for widow's, parent's, or disabled child's benefit before marriage. | ..... | ..... |  |
| Jan. 1, 1965 (P.L. 89-97, July 30, 1965). | ..... | Increased: Maximum to— 1/1/65 -\$74.80 1/1/67 - 83.60 1/1/68 - 92.40 | ..... |  |
| Oct. 1, 1965 (P.L. 89-212, Sept. 29, 1965). | ..... | ..... | Eliminated: Reduction for other RRA annuity or SSA benefit based on spouse's own earnings. | |
| Nov. 1, 1966 (P.L. 89-700 and P.L. 89-699, Oct. 30, 1966). | Changed: For young wife, child no longer had to be eligible for survivor's benefit if employee were to die. | ..... | Increases due to higher employee annuities reduced, but not below zero, by amount of 1965 increase in SSA benefit received by spouse. | |
| Feb. 1, 1968 (P.L. 90-257, Feb. 15, 1968; P.L. 90-248, Jan. 2, 1968). | ..... | Increased: Maximum to (result of 1967 SSA amendments): 2/1/68 -\$104.50 1/1/69 - 112.20 1/1/70 - 115.50 | Increases due to higher employee annuities reduced, but not below \$5, by amount of 1967 increase in SSA benefit received by spouse. | |
| Jan. 1, 1970 (P.L. 91-172, Dec. 30, 1969; P.L. 91-377, Aug. 12, 1970). | ..... | Increased: Maximum to \$138 on 1/1/70 (result of Dec. 30, 1969 SSA amendments). | Increases due to higher employee annuities reduced, but not below \$5, by amount of 1969 increase in SSA benefit received by spouse. | |
| Jan. 1, 1971 (P.L. 92-5, Mar. 17, 1971). | ..... | Increased: Maximum to \$151.70 on 1/1/71 (result of Mar. 17, 1971 SSA amendments). | ..... |  |
| Sept. 1, 1972 (P.L. 92-603, July 1, 1972). | ..... | Increased: Maximum to (result of July 1, 1972 SSA amendments): 9/1/72 -\$182.10 1/1/73 - 188.50 1/1/74 - 203.30 | ..... |  |
| Jan 1, 1973 (P.L. 93-58, July 6, 1975). | Added: Certain wives allowed to qualify under age 62 with grandchildren in their care or children who became disabled between ages 18-22. | ..... | ..... |  |
| Mar. 1, 1974 | ..... | Increased: Maximum to (result of SSA amendments): 3/1/74 -\$217.50 6/1/74 - 225.70 1/1/75 - 246.95 | ..... |  |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | Added: Spouse eligible if employee retired (1) after June 1974 and at least age 60 with 30 years of service or more and spouse (a) age 60, or (b) young wife with minor or disabled child in her care, or (2) after 1974 and age 62 and spouse (a) age 65, or (b) young wife within minor or disabled child in her care. An actuarially reduced benefit was payable to spouse age 62-64 under (2) (a) above. | Changed: Benefit to one-half employee's Tier-1 amount (before any offsets for employee's early retirement or SSA benefit), plus one-half employee's Tier-2 amount (before any offsets for employee's early retirement), with total of spouse's Tier-1 (before reduction for any SSA benefit spouse entitled to) and Tier-2 benefit limited to 110 percent of SSA maximum (\$247 on 1/1/75). | Changed: Spouse's Tier-1 benefit reduced by amount of SSA benefit spouse entitled to but not below 0 and Tier-2 benefit reduced in case (a) spouse's benefit was over 110 percent of SSA maximum, (b) family maximum, or (c) spouse received windfall benefit based on spouse's own earnings. | Spouse benefit subject to same cost-of-living percentage increases as employee benefits. This includes the portion of the spouse's Tier-2 benefit based on the employee's past service bonus. Windfall benefit could increase as result of automatic cost-of-living increases but not after employee retired. |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|-------------|---|----------------------------------|---|
| D. Spouse benefit (wives and dependent husbands) | | | | |
| | Eligibility | Amount | Reduction in spouse's benefit | |
| Jan. 1, 1975— continued | | <p>Added: Spouse could receive "windfall" benefit if spouse or employee vested for dual RRA-SSA benefits as of Dec. 31, 1974⁵ of (1) if vested on spouse's earnings, lesser of (a) SSA benefit based on spouse's earnings through Dec. 31, 1974 or end of year employee last worked for RR⁶ or (b) one-half employee's full Tier-1 amount based on employee's RR earnings alone, or (2) if only employee vested, spouse's windfall one-half employee's windfall. Neither (1) (a) nor (1) (b) could be less than one-half employee's windfall if employee also vested.</p> | | <p>Changed: O/M (overall minimum) guarantee for employees and spouses was 100 percent (instead of 110 percent) of the amount, or the additional amount, the family would receive under the SSA if employee's compensation after 1936 were credited as wages. Employees and spouses retiring before 1983 were not to receive less than they would have under the 1937 Act.</p> <p>Established: Ceiling on total family annuity (before windfall) as of the initial award could not exceed the greater of \$1,200 or the amount determined from 100 percent of such portion of the "final AMC" as was less than one-half of current maximum SS taxable wage base in year of retirement plus 80 percent of remainder of "final AMC." Final AMC being employee's average taxable RR taxable limit earnings from both systems in the highest 2 years out of the last 10. If maximum exceeded, spouse's Tier-2 reduced, then employee's supplemental annuity reduced, and then employee's Tier-2 reduced.</p> |
| June 1, 1975 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$266.75. | ..... |  |
| Jan. 1, 1976 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$283.36. | ..... |  |
| June 1, 1976 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$301.51. | ..... |  |
| Jan. 1, 1977 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$311.85. | ..... |  |
| June 1, 1977 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$330.22. | ..... |  |
| Jan. 1, 1978 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$342.32. | ..... |  |
| June 1, 1978 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$364.54. | ..... |  |
| Jan. 1, 1979 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$376.64. | ..... |  |
| June 1, 1979 | | Increased: Maximum (Tier-1 plus Tier-2) benefit to \$413.93. | ..... |  |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|--|---|--|---|
| E. Death benefits | | | | |
| | Death benefit annuity | Elective survivor annuity to spouse | Residual lump sum | |
| Aug. 29, 1935 (1935 Act, Aug. 29, 1935). | One-half of retired employee's annuity payable to widow for 12 months. | Based on actuarial equivalent joint and survivor option. | ..... |  |
| Jan. 1, 1937 (1937 Act, June 24, 1937). | Discontinued: Death benefit annuity. | Added: Required to elect 5 years before retirement or show proof of good health. | Added: 4 percent of total creditable compensation after 1936 payable to sur- vivor, less any annuity benefits paid. | |
| Jan. 1, 1947 (P.L. 572, July 31, 1946). | ..... | New elections discontinued (no new elections after July 1946). | Discontinued. | |
| July 1, 1948 (P.L. 744, June 23, 1948). | ..... | ..... | Reinstated: 4 percent of creditable compensation after 1936 but before 1947 plus 7 percent of creditable compensation after 1946, less benefits paid. | Residual lump sum insured that beneficiary would re- ceive more in benefits than employee had paid into railroad system. The pay- ment was not made to designated beneficiary if survivor of employee would be entitled to survi- vor benefit in future. |
| May 1, 1959 (P.L. 86-28, May 19, 1959). | ..... | ..... | Changed: 7.5 percent of creditable compensation after 1958 and 8 percent of creditable compensation after 1961, less benefits paid. | |
| Oct. 30, 1966 (P.L. 89-700, Oct. 30, 1966). | ..... | ..... | Changed: One-half percent- age point above employee contribution rate (exclusive of Medicare) of creditable compensation after 1965, less benefits paid. | |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | ..... | ..... | Changed: Compensation after 1974 not taken into ac- count. | |
| F. Survivor's benefits | | | | |
| | Type and amount of benefits | Basic amount calculation | Average monthly remuneration (AMR) | |
| Jan. 1, 1947 (P.L. 572, July 31, 1946). | <p data-bbox="269 1199 533 1304"><i>Aged widow's annuity:</i> Un- married widow age 65 or older of completely insured employee received $\frac{3}{4}$ of basic amount.</p> <p data-bbox="269 1304 533 1449"><i>Widowed mother's annuity:</i> Unmarried widow of com- pletely or partially insured employee in care of his child eligible for child's annuity received $\frac{3}{4}$ of basic amount.</p> <p data-bbox="269 1449 533 1574"><i>Children's annuity:</i> Depen- dent unmarried child under age 18 of completely or partially insured employee to receive $\frac{1}{2}$ of basic amount.</p> <p data-bbox="269 1574 533 1699"><i>Parent's annuity:</i> Unremar- ried parent age 65 or more of completely insured em- ployee who left no eligible widow or child received $\frac{1}{2}$ of basic amount.</p> <p data-bbox="269 1699 533 1860"><i>Insurance lump sum:</i> 8 times basic amount if completely or partially insured em- ployee left no survivor eli- gible for monthly benefits in month of employee's death.</p> | 40 percent of 1st \$75 of AMR, plus 10 percent of remain- der, increased by 1 percent for each year with earnings of \$200 or more. Minimum basic amount \$10. | Combined RRA and SSA earnings divided by total calendar months after 1936 or age 22 and up to retire- ment (including disability) or death. Maximum was \$250. | <p data-bbox="1140 1199 1404 1344">RRA and SSA credits were combined both as to quar- ters of coverage and re- muneration. If insured under RRA, then benefit payable by RRB; otherwise by SSA.</p> <p data-bbox="1140 1344 1404 1707">Other RRA or SSA benefits were deducted. Employee had completely insured status if he had current connection (gener- ally 12 months' service in 30 months before death or retirement) and either (1) $\frac{1}{2}$ of quarters after 1936, or after age 21, to retirement or death, or (2) 40 quarters. Minimum was 6 quarters. Status granted to pensioners or annui- tants who retired before 1948 with 10 years of ser- vice.</p> <p data-bbox="1140 1707 1404 1836">Employee had partially in- sured status if he had cur- rent connection and 6 quarters of coverage in approximately the last 3 years before death.</p> |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|---|--|--|--|---|
| F. Survivor's benefits—Continued | | | | |
| | Type and amount of benefits | Basic amount calculation | Average monthly remuneration (AMR) | |
| Jan. 1, 1947— Continued. | Such amount paid to widow/widower if living with employee at time of death, or to other survivors, or if none, to persons who paid burial expenses (limited to such expenses). | | | Maximum to family generally least of \$120, 2 times basic amount, or 80 percent of AMR (divided on a proportional basis among the survivors if so adjusted). Work restrictions were work for railroad employer regardless of earnings or other earnings of \$25 or more a month. |
| Nov. 1, 1951 (P.L. 234, Oct. 30, 1951). | Increased: <i>Aged widow's annuity</i> —to full basic amount. Expanded: <i>Aged widow's annuity</i> —to include dependent widower age 65 or more. Increased: <i>Widowed mother's annuity</i> —to full basic amount. Increased: <i>Children's annuity</i> —to 2/3 of basic amount. Increased: <i>Parent's annuity</i> —to 2/3 of basic amount. Increased: <i>Insurance lump sum</i> —to 10 times basic amount. | Increased: Minimum basic amount to \$14. | Increased: Maximum to \$300 retroactive to 1937. | Added: 10-year service requirement for completely or partially insured status. Others transferred to Old Age and Survivors Insurance. Changed: Work restriction on nonrailroad wages to \$50 or more a month. Increased: Regular family maximum to least of \$160 or 2 2/3 times basic amount. Survivor benefit subject to overall SSA family guarantee so that benefit would not be less than benefits or additional benefits SSA would pay on same railroad service. This would result in automatic increases in survivors benefits calculated under the minimum guarantee to reflect increases in SSA benefits. Added: Widow's benefit to be at least equal to amount of wife's benefit previously paid, if any. |
| Sept. 1, 1954 (P.L. 746, Aug. 31, 1954). | Changed: <i>Aged widow's and widower's annuity</i> —age requirement reduced to 60. Expanded: <i>Children's annuity</i> —to include dependent disabled children age 18 and over if disability began before age 18. Changed: <i>Parent's annuity</i> —age requirement reduced to 60. | ..... | Increased: Maximum to \$350. | Eliminated: Reduction for RRA retirement annuity based on own earnings. Changed: Work restriction on nonrailroad earnings to agree with restrictions under SSA. |
| Sept. 1, 1955 (P.L. 383, Aug. 13, 1955). July 1, 1956 (1956 Amendments, Aug. 7, 1956). | ..... | Increased: 44 percent of 1st \$75 of AMR, plus 11 percent of remainder, increased by 1 percent for each year with earnings of \$200 or more. Minimum basic amount of \$15.40. | ..... | Eliminated: Reduction for SSA benefits. Increased: Regular family maximum increased to lesser of \$176 or 2 2/3 of basic amount. |
| June 1, 1959 (1959 Amendments, May 19, 1959). | Survivors other than widow (or widower) made ineligible for lump sum by P.L. 85-927, (Sept. 6, 1958). | Increased: 49 percent of 1st \$75 of AMR, plus 12 percent of remainder, increased by 1 percent for each month with earnings of \$200 or more. Minimum basic amount to \$16.95. | Increased: Maximum to \$400. | Added: Conditions for completely or partially insured status under RRA not to be less favorable than for those under SSA (1958 technical amendment). Increased: Regular family maximum to lesser of \$193.60 or 2 2/3 times basic amount. Overall minimum guarantee raised to 110 percent of benefits or additional benefits SSA would pay on same RR service. |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|---|--|-----|----------|-------------|---------|-----------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|--------------|-------|
| F. Survivor's benefits—Continued | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Type and amount of benefits | Basic amount calculation | Average monthly remuneration (AMR) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Oct. 1, 1961 (P.L. 87-285, Sept. 22, 1961). | Added: <i>Aged widow's and widower's annuity</i> and also <i>widowed mother's annuity</i> —remarried widow beneficiary eligible on 2nd husband's earnings if he died within 1 year. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov. 1, 1963 (P.L. 88-133, Oct. 5, 1963). | | | Increased: Maximum to \$450 after Oct. 1963. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan. 1, 1966 (1965 Amendments, Sept. 29, 1965). | | | Increased: Maximum to 1/12 of SSA annual maximum but not less than \$450 after Sept. 1965 (\$550 for service after 1965). | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov. 1, 1966 (P.L. 89-700, Oct. 30, 1966). | Added: <i>Aged widow's and widower's annuity</i> and also <i>widowed mother's annuity</i> —benefits provided widow even though not living with husband at death. Expanded: <i>Children's annuity</i> —to include survivor children ages 18-21 if full-time students (retroactive to Jan. 1, 1965). Student child did not qualify widowed mother. | Increased: 52.4 percent of 1st \$75 of AMR, plus 12.8 percent of next \$375, plus 12 percent of remainder, increased by 1 percent for each year with earnings of \$200 or more. Minimum basic amount to \$18.14. | | Unreduced RRA survivors benefit was subject to partial reduction for receipt of SSA benefits (but not to amount less than would have been payable under previous law). Regular family maximum to lesser of \$207.15 or 2½ times basic amount. | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb. 1, 1968 (P.L. 90-257, Feb. 15, 1968). | Added: <i>Aged widow's and widower's annuity</i> —82.5 percent of table increase based on AMC (see far right column) added to basic amount. Added: <i>Widowed mother's annuity</i> —82.5 percent of table increase based on AMC (see far right column) added to basic amount. Added: <i>Children's annuity</i> —75 percent of table increase based on AMC (see far right column) added to ⅔ of basic amount. Expanded: <i>Children's annuity</i> —to include adopted children and stepchildren. Added: <i>Parent's annuity</i> —82.5 percent of table increase based on AMC (see far right column) added to ⅔ of basic amount. Established: <i>Disabled widow's benefit</i> —to totally and permanently disabled widow of completely insured employee (10 years service and current connection) age 50 or more if disability began before end of 7 years after widowhood or after widowed mother's benefit ended. Benefit same as for aged widow but reduced by 0.3 percent for each month under age 60 when benefit began. | Increased: 52.4 percent of 1st \$75 of AMR, plus 12.8 percent of remainder, increased by 1 percent for each year with earnings of \$200 or more. | Increased: Maximum to \$650 after 1967. Changed: Method of using pre-1951 earnings was simplified. | Eliminated: Reduction in basic amount because of receipt of SSA benefit. Table increases was as follows: <table border="1" data-bbox="1186 1038 1427 1320"> <thead> <tr> <th>AMC</th> <th>Increase</th> </tr> </thead> <tbody> <tr><td>Up to \$100</td><td>\$10.00</td></tr> <tr><td>\$101—150</td><td>11.22</td></tr> <tr><td>151—200</td><td>12.87</td></tr> <tr><td>201—250</td><td>14.63</td></tr> <tr><td>251—300</td><td>16.17</td></tr> <tr><td>301—350</td><td>17.82</td></tr> <tr><td>351—400</td><td>19.47</td></tr> <tr><td>401—450</td><td>20.90</td></tr> <tr><td>451—500</td><td>22.55</td></tr> <tr><td>501—550</td><td>24.09</td></tr> <tr><td>551—600</td><td>27.83</td></tr> <tr><td>601 and over</td><td>31.46</td></tr> </tbody> </table> Table increase reduced by 17.3 percent of 1967 SSA benefits. Minimum table increase was \$5 minus 5.8 percent or lesser of SSA benefit or part of annuity based on basic amount. Family maximum increased by sum of fractions of table increase for all members of family (subject to reduction). Changed: Duration of marriage requirement to 9 months from 1 year. The 9 month requirement was reduced to 3 months if employee's death was accidental or occurred while on active duty in Armed Forces. | AMC | Increase | Up to \$100 | \$10.00 | \$101—150 | 11.22 | 151—200 | 12.87 | 201—250 | 14.63 | 251—300 | 16.17 | 301—350 | 17.82 | 351—400 | 19.47 | 401—450 | 20.90 | 451—500 | 22.55 | 501—550 | 24.09 | 551—600 | 27.83 | 601 and over | 31.46 |
| AMC | Increase | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Up to \$100 | \$10.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$101—150 | 11.22 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 151—200 | 12.87 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 201—250 | 14.63 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 251—300 | 16.17 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 301—350 | 17.82 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 351—400 | 19.47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 401—450 | 20.90 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 451—500 | 22.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 501—550 | 24.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 551—600 | 27.83 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 601 and over | 31.46 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | Applications, exceptions, and other related matters |
|--|--|--------------------------|---|---|
| F. Survivor's benefits—Continued | | | | |
| | Type and amount of benefits | Basic amount calculation | Average monthly remuneration (AMR) | |
| Jan. 1, 1970 (P.L. 91-377, Aug. 12, 1970). | Increased: All types of survivor annuities—15 percent increase applied in same manner as for regular employee annuities (\$25 maximum increase) subject to reduction if eligible for SSA benefit (but not below \$5). | ..... | ..... |  |
| Jan. 1, 1971 (P.L. 92-46, July 2, 1971). | Increased: All types of survivor annuities—10 percent increase applied in same manner as for regular employee annuities. | ..... | Increased: Maximum to \$750 after 1971. | |
| Sept. 1, 1972 (P.L. 92-460, Oct. 4, 1972). | Increased: All types of survivor annuities—20 percent increase applied in same manner as for regular employee annuities. (Minimum guarantee cases were further increased by SSA changes and RRB changes.) | ..... | Increased: Maximum to \$900 for 1973. | |
| Jan. 1, 1973 (P.L. 93-58, July 6, 1973). | Expanded: <i>Widowed mother's annuity</i> —to include widows under age 60 with grandchildren in their care, or children who became disabled between ages 18-22. Expanded: <i>Children's annuity</i> —to include children disabled before age 22, dependent grandchildren living with grandparent if natural parents disabled or dead, adopted children and also continuation of fulltime students through school term in which student attained age 22. | ..... | Increased: Maximum to \$1,100 for 1974. | Changed: Nine-month marriage requirement waived if widow and employee previously married for 9 months but divorced and remarried and 3-month requirement waived if employee's death was accidental or occurred while in Armed Forces. |
| July 1, 1973 (P.L. 93-69, July 10, 1973). | Added: All types of survivor annuities—"pass-through" increase applied in same way as for regular employees annuities. | ..... | ..... |  |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | | Applications, exceptions, and other related matters |
|--|--|--|-----------------------------|---------------------------------------|---|
| F. Survivor's benefits—Continued | | | | | |
| | Type and amount of benefits | Annuity components (effective 1974 Act) | Basic amount calculation | Average monthly remuneration (AMR) | |
| Jan. 1, 1975 (P.L. 93-455, Oct. 16, 1974). | <p>Changed: <i>Widow's and widower's annuity</i>—Tier-1 and Tier-2 amounts reduced by 19/40 percent for each month under age 65 at start of benefits, but widow age 60-61 was deemed 62 in computing Tier-1 amount. Added: <i>Windfall benefit</i>—for widow or widower fully insured under SSA before 1975 if employee had 10 years service before 1975.</p> <p>Changed: <i>Widowed mother's annuity</i> and also <i>children's annuity</i>—75 percent of Tier-1 PIA, plus 30 percent of such amount in accordance with Tier-2 calculation.</p> <p>Changed: <i>Disabled widow's and widower's annuity</i>—Tier-1 and Tier-2 amounts reduced by 28.5 percent, plus 43/240 percent for each month under age 60 at start of benefits.</p> <p>Changed: <i>Parent's annuity</i>—82.5 percent of Tier-1 PIA, plus 30 percent of such amount in accordance with Tier-2 calculation.</p> <p>Changed: <i>Insurance lump sum</i>—10 times the basic amount calculation under the 1937 Act on earnings through 1974 only if employee had 10 years' service before 1975 or amount SSA would have paid if employee had less than 10 years before 1975.</p> | <p>Annuities for all survivors to be recalculated as follows effective Jan. 1, 1975:</p> <p><i>Tier-1</i>—amount payable to survivor under SSA based on employee's combined earnings after 1936, less any SSA benefit received (additional restrictions for widow who received annuity as railroad employee); plus</p> <p><i>Tier-2</i>—30 percent of Tier-1 before reductions for work or entitlement to SSA benefit (or RRA employee annuity); and</p> <p><i>Windfall benefit</i> (for eligible widow's and widower's only)—amount equal to the sum of (1) the SSA benefit based on the widow's or widower's earnings through 1974 and (2) a widow's or widower's annuity computed under an alternate basic amount formula under the 1937 Act⁷ based on the deceased employee's RRA and SSA earnings through 1974, exceeded (3) 130 percent of the SSA widow's or widower's benefit based on the employee's combined earnings through 1975.</p> | (Under 1937 Act). | (Under 1937 Act). | <p>The Tier-1 benefits of survivors were to increase automatically for cost-of-living adjustments by the same percentages as SSA benefits (just as for employees and spouses). As a result, the portion of the Tier-2 benefit which was equal to 30 percent of the Tier-1 amount would rise by whatever percentage increase was made in the Tier-1 benefit.</p> <p>Annuity not payable for any month in which survivor engaged in railroad employment. Entire benefit subject to SSA work restrictions.</p> |
| | <p>Benefits exclusive of the windfall were subject to SSA increases. The windfall was frozen as of the earlier of the employee's death or start of employee's annuity. The windfall was to be increased as it would have been under an automatic cost-of-living adjustment but would not participate in a general benefit increase enacted by Congress.</p> <p>For widow or widower, total benefit, exclusive of windfall, could not be less than amount received as spouse in month before employee's death (continuation of spouse minimum guarantee in 1937 Act).</p> <p>Total Tier-1 amount payable to widow (or widower) and children was subject to a maximum of 130 percent of the SSA family maximum based on railroad earnings and non-railroad earnings.</p> | | | | |
| June 1, 1975 | Increased: Tier-1 (and Tier-2) amount by 8 percent (resulted from cost-of-living adjustment). | ..... | ..... | ..... |  |
| June 1, 1976 | Increased: Tier-1 (and Tier-2) amount by 6.4 percent (resulted from cost-of-living adjustment). | ..... | ..... | ..... |  |

See footnotes at end of table.

Table 7. Railroad retirement system—Continued

| Effective date (unless noted) | Provision | | | | Applications, exceptions, and other related matters |
|---|---|---|--------------------------|------------------------------------|--|
| F. Survivor's benefits—Continued | | | | | |
| | Type and amount of benefits | Annuity components (effective 1974 Act) | Basic amount calculation | Average monthly remuneration (AMR) | |
| Nov. 1, 1976 (P.L. 94-547 Oct. 18, 1976). | Changed: Method of computing windfall benefit. | Windfall benefit equal to the amount the widow would receive under the 1937 Act basic amount formula ⁷ , adjusted for automatic cost-of-living increases after 1974 to the latter of the date the widow's annuity began to accrue or the first month the widow is entitled to an SSA benefit based on own earnings, that is in excess of the total of the Tier-1 and Tier-2 amounts to which widow(er) is entitled as of the latter of the date the annuity began to accrue or the date the SSA benefit began to accrue. | | | Special guarantee provided for widow(er) who previously received a spouse's benefit that included a windfall amount based on own earnings. In this case widow(er) guaranteed to receive as much as she(he) did as a spouse beneficiary in the month the employee died. |
| June 1, 1977 | Increased: Tier-1 (and Tier-2) amount by 5.9 percent (resulted from cost-of-living adjustment). | ..... | ..... | ..... |  |
| June 1, 1978 | Increased: Tier-1 (and Tier 2) amount by 6.5 percent (resulted from cost-of-living adjustment). | ..... | ..... | ..... |  |

¹Taxable compensation amounts were the same as creditable compensation amounts which are shown in Section B of this table. Effective in 1979, SSA creditable and taxable compensation amounts differed from RRA creditable and taxable compensation and are shown separately in Section B.

²Payable one-half by employer and one-half by employee before Oct. 1973. Employee rate reduced to Social Security Act employee rate with balance of combined rate paid by employer beginning Oct. 1973 (i.e., employee rate was one-half of combined rate less 4.75 percentage points and employer rate was employee rate plus 9.5 percentage points). Health Insurance tax rates (shown in parentheses) were payable one-half by employer and one-half by employee.

³Earnings base for Tier-2 after 1974.

⁴The 1967 Social Security Act benefit for the 1968 formula was approximated as 87 percent of the 1969 SSA benefits.

⁵New hires and individuals not vested as of Dec. 31, 1974, under both systems were not to receive dual benefits. For career employees, vesting

was defined as having 10 years of railroad service on change-over and, in addition, having enough quarters of coverage under the social security program to be entitled to a benefit at age 62 if no further social security credits were acquired after Dec. 31, 1974. Dual benefits were retained, in effect, through provision for payment of an additional amount in their annuities referred to as a dual benefit "windfall" (so called because an advantageous tax-benefit ratio allowed dual beneficiaries under previous law). Such windfall amounts, however, were not allowed to increase because of any social security service performed after Dec. 31, 1974, nor would they be subject to future cost-of-living or other legislative increases in social security benefits subsequent to a vested employee's retirement.

⁶Applied only if employee did not work for a railroad in 1974, or had less than 25 years of service, or did not have a current connection with the railroad as of Dec. 31, 1974, or at employee's retirement.

⁷The O/M guarantee under the 1937 Act and the spouse minimum were disregarded in computation.

Appendix A. Supplemental Sickness Benefits

Effective 1973

Schedule A. Benefits

| Last position worked before disability | Rate of pay as of Dec. 31, 1972 ¹ | | Amount | | | |
|---|--|---------------------------------|--|---------|---|---------|
| | | | Employee eligible for RUIA sickness benefits | | Employee not eligible for RUIA sickness benefits ² | |
| | Hourly | Monthly | Per month | Per day | Per month | Per day |
| Class 1—mechanic or comparable or higher rated positions | \$5.15 or more | \$895.00 or more | \$315.00 | \$10.50 | \$515.00 | \$17.17 |
| Class 2—helper or comparable position, rated below mechanic | \$4.20 but less than \$5.15 | \$730.00 but less than \$895.00 | \$222.00 | \$ 7.40 | \$422.00 | \$14.07 |
| Class 3—lower rated positions | Less than \$4.20 | Less than \$730.00 | \$171.00 | \$ 5.70 | \$371.00 | \$12.37 |

¹Included any differential regularly paid on the position. Weekly-rated positions were classified as to rate of pay on the basis of the weekly rate multiplied by 4 1/3 to obtain a monthly rate of pay.

²Applicable to employee eligible for benefits under this plan who exhausted benefits under RUIA. Did not apply to additional days of RUIA waiting period (5th, 6th, and 7th days of disability) in effect before July 1,

1975 when employee was eligible for benefits under the plan and under the RUIA, but benefits were then not payable under the RUIA. (Before July 1, 1975, sickness benefits under the RUIA began with the 8th day of sickness in the first registration period in a benefit year; effective July 1, 1975, sickness benefits under the RUIA began with the 5th day of sickness in the first registration period).

Schedule B. Limits (In the event RUIA sickness daily benefits increased)¹

| Class | Rate of pay as of Dec. 31, 1972 | | Average straight-time monthly earnings | 70 percent of average straight-time monthly earnings |
|-------|---------------------------------|---------------------------------|--|--|
| | Hourly | Monthly | | |
| 1 | \$5.15 or more | \$895.00 or more | \$925.00 | \$647.50 |
| 2 | \$4.20 but less than \$5.15 | \$730.00 but less than \$895.00 | \$780.00 | \$546.00 |
| 3 | Less than \$4.20 | Less than \$730.00 | \$700.00 | \$490.00 |

¹If RUIA was amended to increase RUIA daily sickness benefits, and the sum of (a) 21.75 times the "average daily benefit for the class under the RUIA as amended" plus (b) the amount shown in schedule A above (\$315, \$222, or \$171, as appropriate) should exceed 70 percent of average straight-time monthly compensation (\$647.50, \$546, or \$490, as appropriate), the per month and per day amounts for employees eligible for RUIA sickness benefits as shown in schedule A were to be reduced to

the extent that the sum of (a) and (b) would not exceed 70 percent of average straight-time monthly compensation.

The "average daily benefit for the class under the RUIA as amended" for purposes of schedule B was the benefit that would be payable to an employee who had worked full time in base year and whose rate of pay at the Dec. 31, 1972 wage level was: Class 1—\$5.25; Class 2—\$4.50; Class 3—\$4.00.

Appendix B. Supplemental Sickness Benefits Effective 1976

Schedule A. Benefits

| Last position worked before disability | Rate of pay as of Jan. 1, 1976 ¹ | | Amount | | | |
|---|---|-----------------------------|--|---------------------|---|---------|
| | | | Employee eligible for RUIA sickness benefits | | Employee who exhausted RUIA sickness benefits | |
| | Hourly | Monthly | Per month | Per day | Per month | Per day |
| Class 1—mechanic or comparable or higher rated positions | \$6.61 or more | \$1150 or more | \$242 | \$8.07 | \$764 | \$25.47 |
| Class 2—helper or comparable position, rated below mechanic | \$5.46 but less than \$6.61 | \$ 950 but less than \$1150 | \$141 ² | \$4.70 ² | \$657 | \$21.90 |
| Class 3—lower rated positions | Less than \$5.46 | Less than \$ 950 | \$ 66 ² | \$4.23 ² | \$588 | \$19.60 |

¹Included any differential regularly paid on the position plus any applicable cost-of-living allowance. Weekly-rated positions were classified as to rate of pay on the basis of the weekly rate multiplied by 4 1/2 to obtain a monthly rate of pay.

²Amounts for Class 2 and Class 3 employees eligible for RUIA sickness benefits were to be subsequently changed on July 1, 1976, as follows:

| <i>Class 2 employee</i> | | <i>Class 3 employee</i> | |
|-------------------------|----------------|-------------------------|----------------|
| <i>Per month</i> | <i>Per day</i> | <i>Per month</i> | <i>Per day</i> |
| \$135 | \$4.50 | \$66 | \$2.20 |

Schedule B. Limits (In the event RUIA sickness daily benefits increased)¹

| Class | Rate of pay as of Jan. 1, 1976 | | Combined benefit limit |
|-------|--------------------------------|-----------------------------|------------------------|
| | Hourly | Monthly | |
| 1 | \$6.61 or more | \$1150 or more | \$819 |
| 2 | \$5.46 but less than \$6.61 | \$ 950 but less than \$1150 | \$709 |
| 3 | Less than \$5.46 | Less than \$ 950 | \$636 |

¹If the RUIA was amended so as to increase RUIA daily sickness benefits, and the sum of (a) 21.75 times the "average daily benefit for the class under the RUIA as amended" plus (b) the appropriate amount shown in schedule A above should exceed the "combined benefit limit" in this schedule B, the per month and per day amounts for employees eligible for RUIA sickness benefits as shown in schedule A were to be reduced to the extent that the sum of (a) and (b) would not exceed the "combined benefit limit."

The "average daily benefit for the class under the RUIA as amended" for purposes of schedule B was the benefit that would be payable to an employee who had worked full time in base year and whose rate of pay at the Dec. 31, 1975, wage level was: Class 1—\$6.60; Class 2—\$5.70; Class 3—\$5.10.

Wage Chronologies Available

The following wage chronologies are available from the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402, or from the regional offices of the Bureau of Labor Statistics listed on the inside back cover. Some publications are out of print and not available from the Superintendent of Documents but may be obtained, as long as supplies are available, from the Bureau of Labor Statistics, Washington, D.C. 20212, or from the Bureau's regional offices. Out-of-print items also may be available for reference in leading public, college, or university libraries.

Before July 1965, basic wage chronologies and their supplements were published in the *Monthly Labor Review* and released as Bureau reports. Wage chronologies published later are available only as bulletins (and their supplements). Summaries of general wage changes and new or changed working practices are added to bulletins as new contracts are negotiated.

Aluminum Company of America with United Steelworkers of America and Aluminum Workers International Union—

November 1939—January 1974, BLS Bulletin 1815.

February 1974—May 1977, Supplement to BLS Bulletin 1815.

The Anaconda Co. (Montana Mining Division) and the Steelworkers—

1941-77, BLS Bulletin 1953.

1977-80, Supplement to BLS Bulletin 1953.

Armour and Company—

1941-72, BLS Bulletin 1682.

1973-79, Supplement to BLS Bulletin 1682.

A.T.&T.—Long Lines Department and Communications Workers of America (AFL-CIO)—

October 1940—July 1974, BLS Bulletin 1812.

July 1974—August 1977, Supplement to BLS Bulletin 1812.

Atlantic Richfield and the Oil Workers (Former Sinclair Oil Facilities)—

1941-77, BLS Bulletin 1915.

1977-79, Supplement to BLS Bulletin 1915.

Berkshire Hathaway Inc. and the Textile Workers—

June 1943—April 1975, BLS Bulletin 1849.

1975—78, Supplement to BLS Bulletin 1849.

Bethlehem Steel Corp. (Shipbuilding Department) and the IUMSW—

June 1941—August 1975, BLS Bulletin 1866.

1975-78, Supplement to BLS Bulletin 1866.

Bituminous Coal Mine Operators and United Mine Workers of America—

October 1933—November 1974, BLS Bulletin 1799.

1974-77, Supplement to BLS Bulletin 1799.

The Boeing Co. (Washington Plants) and the International Association of Machinists—

June 1936—September 1977, BLS Bulletin 1895.

1977-80, Supplement to BLS Bulletin 1895.

Commonwealth Edison Co. and the Electrical Workers (IBEW)—

October 1945—March 1974, BLS Bulletin 1808.

1974-79, Supplement to BLS Bulletin 1808.

Dan River Inc. and the Textile Workers (UTWA)—

1943-79, BLS Bulletin 2048,

FMC Corp., Chemical Group—Fiber Division and the TWUA—

1945-77, BLS Bulletin 1924.

1977-79, Supplement to BLS Bulletin 1924.

Federal Employees under the General Schedule Pay System—

July 1924—October 1974, BLS Bulletin 1870.

1975-77, Supplement to BLS Bulletin 1870.

Firestone Tire and Rubber Co. and B.F. Goodrich Co. (Akron Plants)—

1937-79, BLS Bulletin 2011.

Ford Motor Co. and the Auto Workers—

Volume I, June 1941—September 1973, BLS Bulletin 1787.

Volume II, 1973-79, BLS Bulletin 1994.

International Harvester Co. and the Auto Workers—

February 1946—September 1976, BLS Bulletin 1887.

1976-79, Supplement to BLS Bulletin 1887.

International Paper Co., Multiple Mill Group, and the Paperworkers and the Electrical Workers—

1937-79, BLS Bulletin 2023.

International Shoe Co., the Shoe Workers, and the Boot and Shoe Workers—

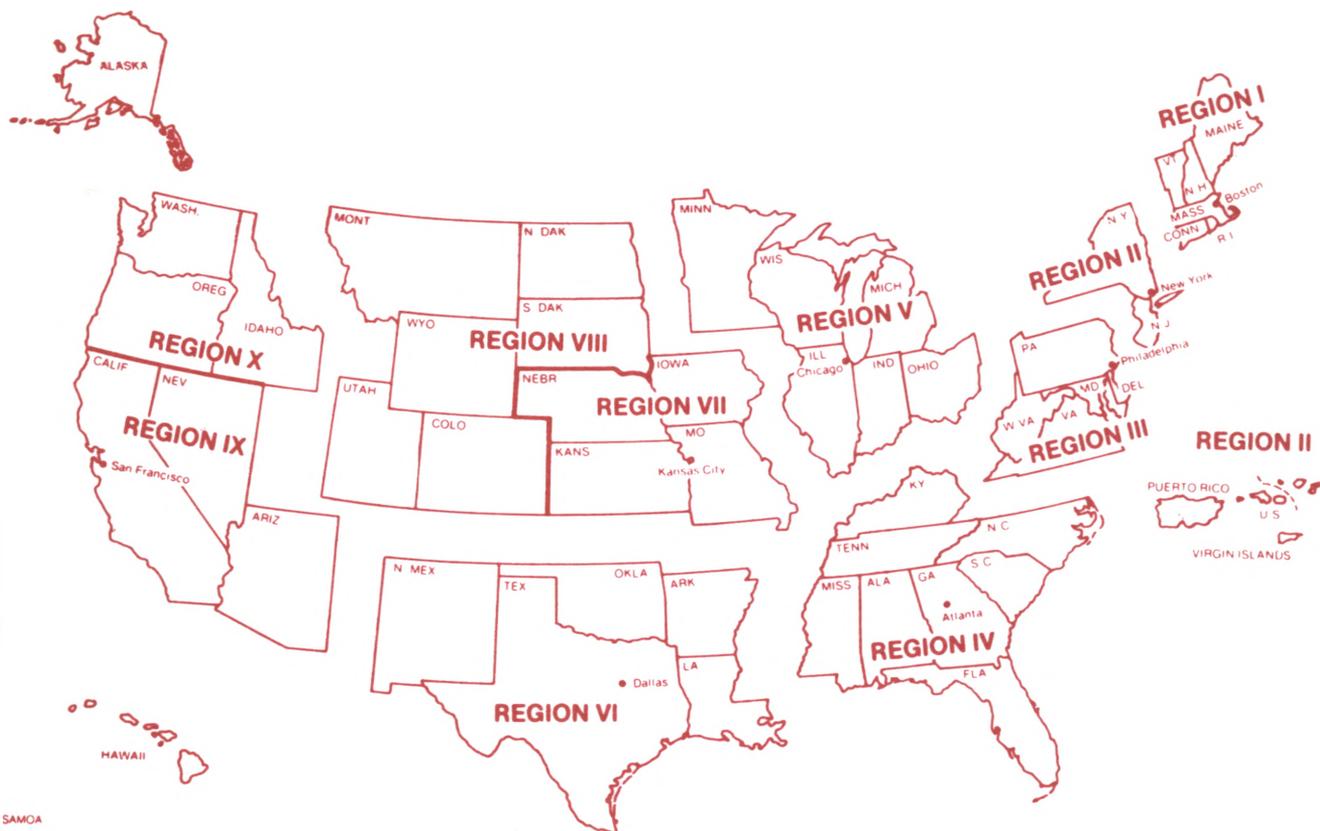
1945-78, BLS Bulletin 2010.

- Lockheed—California Company (a division of Lockheed Aircraft Corp.) and Machinists' Union—
 March 1937—October 1977, BLS Bulletin 1904.
 1977–80, Supplement to BLS Bulletin 1904.
- Martin Marietta Aerospace and the Auto Workers—
 March 1944—November 1975, BLS Bulletin 1884.
 1975–78, Supplement to BLS Bulletin 1884.
- Massachusetts Shoe Manufacturers and the Shoe Workers—
 1945–79, BLS Bulletin 1993.
- New York City Laundries and the Clothing Workers—
 November 1945—November 1975, BLS Bulletin 1845.
 1975–78, Supplement to BLS Bulletin 1845.
- North Atlantic Longshoremen—
 1934–80, BLS Bulletin 2063.
- Pacific Coast Shipbuilders and Various Unions—
 1941–77, BLS Bulletin 1982.
- Pacific Gas and Electric Co.—
 1943–72, BLS Bulletin 1761.
 1972–79, Supplement to BLS Bulletin 1761.
- Pacific Maritime Association and the ILWU—
 1934–78, BLS Bulletin 1960.
- Railroads—Nonoperating Employees—
 1920–77, BLS Bulletin 2041.
- Rockwell International (Electronics, North American Aircraft/Space Operations) and the Auto Workers—
 May 1941—September 1977, BLS Bulletin 1893.
- United States Steel Corporation and United Steelworkers of America—
 March 1937—April 1974, BLS Bulletin 1814.
 May 1974—July 1977, Supplement to BLS Bulletin 1814.
- Western Greyhound Lines—
 1945–67, BLS Bulletin 1595.¹
 1968–77, Supplement to BLS Bulletin 1595.
- Western Union Telegraph Co. and the Telegraph Workers and the Communications Workers—
 1943–76, BLS Bulletin 1927.
 1976–79, Supplement to BLS Bulletin 1927.

¹Out of print. See *Directory of Wage Chronologies, 1948-June 1977* for *Monthly Labor Review* issue in which reports and supplements published before July 1965 appeared.

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