



# HOUSE VOTES TO AVERT RAIL STRIKE, IMPOSE DEAL ON UNIONS - ASSOCIATED PRESS

*Posted on December 1, 2022 by KEVIN FREKING and JOSH FUNK | Associated Press*



The U.S. House moved urgently to head off the looming nationwide rail strike on Wednesday, passing a bill that would bind companies and workers to a proposed settlement that was reached in September but rejected by some of the 12 unions involved.

The measure passed by a vote of 290-137 and now heads to the Senate. If approved there, it will be signed by President Joe Biden, who urged the Senate to act swiftly.

"Without the certainty of a final vote to avoid a shutdown this week, railroads will begin to halt the movement of critical materials like chemicals to clean our drinking water as soon as this weekend," Biden said. "Let me say that again: without action this week, disruptions to our auto supply chains, our ability to move food to tables, and our ability to remove hazardous waste from gasoline refineries will begin."

Business groups including the U.S. Chamber of Commerce and the American Farm Bureau Federation have warned that halting rail service would cause a devastating \$2 billion per day hit to the economy.

The bill would impose a compromise labor agreement brokered by the Biden administration, labor unions, and a group of railroads that was ultimately voted down by four of the 12 unions representing roughly 115,000 employees at large freight railroads. The unions have threatened to strike if an agreement can't be reached before a Dec. 9 deadline.

Lawmakers from both parties expressed reservations about overriding the negotiations. The intervention was particularly difficult for Democratic lawmakers who have traditionally sought to align themselves with the politically powerful labor unions that criticized Biden's move to intervene in the contract dispute and block a strike.

House Speaker Nancy Pelosi responded to that concern by adding a second vote Wednesday that would add seven days of paid sick leave per year for rail workers covered under the agreement. However, it will take effect only if the Senate goes along and passes both measures. The House passed the sick leave measure as well, but by a much narrower margin, 221-207, as Republicans overwhelmingly opposed it, indicating that prospects for passage of the add-on are slim in the evenly divided Senate.

Business groups and the Association of American Railroads trade association praised the House vote to block the strike but urged senators to resist adding sick time to the deal.

"Unless Congress wants to become the de facto endgame for future negotiations, any effort to put its thumb on the bargaining scale to artificially advantage either party, or otherwise obstruct a swift resolution, would be wholly irresponsible," said Ian Jefferies, head of the AAR.

On the other hand, the Transportation Trades Department labor coalition that includes all the rail unions praised the vote to add sick time and told lawmakers who voted against it they had "abandoned your working class constituents."

The focus now turns to the Senate where the timing for a vote is unclear. Labor Secretary Marty Walsh and Transportation Secretary Pete Buttigieg will meet with Democratic senators Thursday to discuss the rail negotiations. Some Democrats are insistent that the Senate vote on providing seven days of paid sick leave.

"A multibillion-dollar industry that is engaged in buybacks, that has doubled its profit margins during the pandemic should not be able to force its workers to come in when they are sick and injured," said Sen. Elizabeth Warren, D-Mass.

But most Republicans are reluctant to alter the tentative settlement reached in September.

"I think it's a bad precedent for us to get into the nuances and details of things like this that have been negotiated for three years," said Sen. John Thune, R-S.D.

The call for paid sick leave was a major sticking point in the talks along with other quality-of-life concerns. The railroads say the unions have agreed in negotiations over the decades to forgo paid sick time in favor of higher wages and strong short-term disability benefits.

Jefferies said Tuesday that railroads would consider adding paid sick time in the future, but said that change should wait for a new round of negotiations.

The unions maintain that railroads can easily afford to add paid sick time at a time when they are recording record profits. Several of the big railroads involved in these contract talks reported more than \$1 billion profit in the third quarter.

"Quite frankly, the fact that paid leave is not part of the final agreement between railroads and labor is, in my opinion, obscene," said Rep. Jim McGovern, D-Mass.

Most rail workers don't receive any paid sick time, but they do have short-term disability benefits that kick in after as little as four days and can replace some of their income for a year or more. Rail workers also receive vacation and personal leave days, but workers say it's difficult to use those for illnesses because they must typically be approved far ahead of time.

In the House, Republicans voiced support for the measure to block the strike, but criticized the Biden administration for turning to Congress to "step in to fix the mess." Some 79 Republicans voted with the overwhelming majority of Democrats for the bill binding the parties to the tentative settlement.

But Republicans criticized Pelosi's decision to add the sick leave bill to the mix, and only three of them voted for that resolution. They said the Biden administration's own special board of arbitrators recommended higher wages to compensate the unions for not including sick time in its recommendations.

"Why do we even have the system set up the way it is if Congress is going to come in and make changes to all of the recommendations?" said Rep. Sam Graves, R-Mo.

Pelosi sought to position Democrats and the Biden administration as defenders of unions, but she said Congress needed to intervene to avoid a strike.

"Families wouldn't be able to buy groceries or life-saving medications because it would be even more expensive and perishable goods would spoil before reaching shelves," Pelosi said.

The compromise agreement that was supported by the railroads and a majority of the unions provides for 24% raises and \$5,000 in bonuses retroactive to 2020 along with one additional paid leave day. The raises would be the biggest rail workers have received in more than four decades. Workers would have to pay a larger share of their health insurance costs, but their premiums would be capped at 15% of the total cost of the insurance plan. The agreement did not resolve workers' concerns about schedules that make it hard to take a day off and the lack of more paid sick time.

On several past occasions, Congress has intervened in labor disputes by enacting legislation to delay or prohibit railway and airline strikes.

—

Funk reported from Omaha, Nebraska.