



NCFO News Release

January 5, 2012

*From the desk of:
President John Thacker*

NCFO Freight Rail Members Ratify National Contract

NCFO members who work for the nation's freight railroads have ratified a six-year contract by an overwhelming margin, with over 87 percent of those voting approving the agreement.

Members had the opportunity to vote either through a ballot mailed to their homes, or at one of the more than 100 special meetings held to explain and discuss the tentative agreement that were held for members working various shifts, at locations around the country.

Ballots had to be received at the NCFO office no later than Wednesday, January 4, and the final vote count was announced by NCFO President John Thacker this morning (January 5, 2012).

The contract—which runs January 1, 2010 through December 31, 2015—provides compounded wage increases of 20.1 percent and an additional one percent lump-sum payment upon ratification.

Thacker's January 5 formal notice to the railroads of the ratification sets the clock in motion: members must receive their back-pay checks for retroactive raises within 60 days and their lump-sum bonus checks within 90 days.

The contract includes numerous changes in how health benefits are paid for and delivered. While employee premiums are frozen at \$200 per month through June, 2016, a new system of co-payments, deductibles and co-insurance is phased in during the contract.

"Health benefits and costs were the most complicated and controversial part of the agreement," explains Thacker. "Our members showed a great deal of savvy in understanding both the complexity of the changes themselves and how we were able to soften the hit that some members will take from higher health-care costs.

"They understood how having President Obama in office helped us get a much better contract than we would have otherwise, while the Republican take-over of the House of Representatives in 2010 limited how far we could push," he adds.

"Given that the problem of skyrocketing health care costs can no longer be solved at the bargaining table and given the economic and political turbulence in the country, our members overwhelmingly concluded that this contract deserved a 'yes' vote," Thacker continues.

"The more we can involve our members in the union, build our political clout and strengthen the unity among the various rail unions, the better we'll be able to do in future negotiations."

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