

Oregon Joint Transportation Committee - March 4, 2019

Brant Hanquist – Union Pacific Railroad General Director, Labor Relations

Chair Beyer and Members of the Committee, my name is Brant Hanquist. I am the General Director of Labor Relations for Union Pacific Railroad. I am here today to respectfully express opposition to House Bill 2970.

Thank you for this opportunity to provide basic information about current labor contract negotiation processes.

For decades, the railroads and their labor partners have negotiated and maintained collective bargaining agreements regarding appropriate and safe crew size. And safety has continued to improve across the industry.

Safety is always our top priority. As a company, we continuously look for ways to enhance the safety and security of our employees and the communities and customers we serve. Union Pacific supports work rules that improve safety.

- Crew size has been addressed pursuant to the requirements of the federal Railway Labor Act (RLA) and the collective bargaining process, as influenced by Presidential Emergency Board outcomes.
- Safety improvements have been a primary catalyst in those negotiations.
- In Oregon, unions ratify collective bargaining agreements that include crew size requirements.
- State legislation that attempts to alter terms of these collective bargaining agreements would threaten the integrity of locally ratified agreements and compromise future negotiations on this issue.
- Permitting a party to secure through legislation what it was unable or unwilling to achieve through good faith collective bargaining could seriously undermine motivation and RLA requirements to bargain over issues such as crew size.
- The risk of frequent and serious disruptions to the nation's rail operations would significantly increase if companies like Union Pacific have to manage a patchwork of different state-based crew size regulations. This jeopardizes interstate commerce when issues such as crew size are subject to outside interferences or extend beyond the RLA process.
- The collective bargaining process has a proven record of successful resolution through locally ratified collective bargaining agreements that address limitations on the amount and type of work performed, compensation and work rules ensuring crew safety.

Crew size agreements are negotiated by representatives of both rail management and labor experts with full knowledge and understanding of railroad operations and safety goals. Work rules cannot be determined by either management or labor unilaterally. It is a collective effort. A new round of bargaining begins later this year in fact.

A state law mandating crew size would interfere with the ability of railroads and unions to fully bargain the best and safest crew size for each assignment. This will put Oregon industries and shippers at a competitive disadvantage compared to other states without these artificial

restrictions. Interstate commerce also would likely be affected due to potential operational challenges associated with differing state crew-size requirements.

The industry needs to remain flexible to incorporate the most current safety strategies and technological advancements into its operations and labor contract negotiations. This bill appears to ignore the long history of success collective bargaining has brought to the safety and compensation of railroad employees.

In closing I would like to say that to date, neither the unions or Union Pacific Railroad has broached the idea of a single person crew with the other party. This bill appears to be a solution looking for a problem. If and when the parties elect to discuss this matter, the parties are required to address work rule issues and resolve them through the nearly 100-year-old established RLA process.

I respectfully request a "no" vote on HB 2907. I am happy to answer questions.