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SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES
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I appreciate the opportunity to appear before this Committee today to discuss the current Metro-North commuter rail strike in New York and Connecticut. Both Secretary Dole and Administrator Teele have expressed their deep concern over the strike's effect on the greater New York area, and they share your hope that the matter can be resolved quickly.

Some brief background on the current dispute and the recent rail transfer may be helpful. The Northeast Rail Service Act of 1981 (NERSA) transferred Conrail's commuter rail lines in New York, Connecticut, New Jersey and Pennsylvania to local commuter authorities. The Metro-North system, including both physical assets and labor resources, was transferred to the Metropolitan Transportation Authority (MTA) and the Connecticut Department of Transportation (ConnDOT), effective January 1, 1983.

NERSA spelled out special Federal rules to govern the labor transfer during the transition period. Those included the development of "implementing agreements" to determine how employees would be selected and transferred from Conrail to the authorities, and then new collective bargaining agreements between the authorities and the rail labor organizations.

NERSA also provided for the appointment of Presidential Emergency Boards to investigate and help resolve collective bargaining disputes that might develop. However, Congress specifically decided that the recommendations of those Boards would not be binding on the parties. If new agreements were not in place at the time of transfer, the law provided that the parties should rely on the traditional bargaining process.

In the case of Metro-North, the President did appoint a three-member Emergency Board last October, consisting of Arvid Anderson, Daniel Collins and Richard Niner. That Board investigated the dispute, reviewed the "final offers" of the parties, and issued its report in mid-December. As required by NERSA, the operational transfer took place as scheduled on January 1 of this year, although new agreements had not yet been reached with all of the rail labor organizations. With continued mediating assistance from Mr. Anderson, the parties continued to negotiate, and new agreements were reached with all of the unions except the United Transportation Union (UTU), which represents conductors and trainmen.

MTA and UTU have not been able to reach agreement on the "crew consist" issue. On March 7, the UTU struck Metro-North. There have been several negotiating sessions between the parties since then, but the strike is still in progress.

Recently, several elected officials in the region have suggested that the Federal government intervene to resolve the dispute. Governor Cuomo of New York has asked for special legislation to impose the recommendations of the Emergency Board on the parties or, alternatively, for legislation to place this and other commuter rail labor disputes under state law. Governor O'Neill of Connecticut has suggested legislation to order the employees back to work and settle disputed issues through binding arbitration.

Secretary Dole has responded to both Governors to express the Administration's position on possible Federal legislation. I would like to review the basic points that she has spelled out.

First, the Administration believes strongly that labor disputes on local transit systems should, if at all possible, be resolved at the local level through collective bargaining, rather than through Federal intervention. We are concerned that Federally dictated contract terms in this instances could set an unfortunate precedent for labor disputes on other types of mass transit systems.

Second, the Administration has consistently indicated that we would not object to placing commuter rail labor relations under state law, if Congress determines that action would be appropriate. That continues to be our position, although Congress has twice expressed its desire over the past two years to retain Federal jurisdiction in this area.

Third, and perhaps most significantly, since all avenues under current law have been exhausted, any new initiative at this time would require the enactment of new legislation. Realistically, we believe that any such action would first require a general consensus among the Senate and House members from the affected region. We understand that Senators D'Amato and Weicker and Congressman McKinney have now introduced legislation that may well form the basis for developing such a consensus and a reasonable compromise. The Administration would consider very carefully any proposal that receives such support.

That concludes my prepared statement. I would be pleased to try to answer any questions that the Committee may have.

