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Brotherhood of Locomotive Engineers and Trainmen
Division of the Teamster Rail Conference
Surface Transportation Board
Docket No. EP 775

**BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN,
A DIVISION OF THE TEAMSTERS RAIL CONFERENCE**

SURFACE TRANSPORTATION BOARD

“GROWTH IN THE FREIGHT RAIL INDUSTRY”

SEPTEMBER 16 and 17, 2024

The following comments are filed on behalf of the Brotherhood of Locomotive Engineers and Trainmen (BLET). The BLET is the oldest trade union in North America, which was founded in 1863 and represents nearly 33,000 active engineers and trainmen members. BLET is also a Division and the founding member of the Teamsters Rail Conference.

When it comes to service issues, we want the Surface Transportation Board (“STB”) and the country to know that rail workers want to work. We want shippers to receive high-quality, on-time service. Our members are proud of the work they do to keep goods moving, supermarket shelves full, and commerce moving. We want the railroads to be profitable and increase market share. While there are many ongoing safety issues, rail is the safest way to move goods. Trains are also the most climate-friendly way to move freight. This creates a situation where everyone’s best interests are aligned. The workers, the shippers, the railroads, and the end consumers should all want to expand the amount of freight shipped via rail.

To this end, we want to provide our perspective on why the industry has been shrinking in recent years. As the STB has noted, the overall number of carloads being moved has dropped significantly in the last ten years. This is due to an overall deterioration in service quality caused

by railroad operating practices. We want to be clear; this is not because of a lack of individuals willing to work.

For much of the last ten years, the railroads have been implementing Precision Scheduled Railroading (“PSR”) to cut costs. They have increased the length of trains and reduced the number of trains operating. With fewer trains operating, shippers see less frequent service. They see less on-time service because longer trains break down more than shorter trains and take longer to build. The railroads have reduced headcounts. They have refused to improve the quality of life for employees so more employees quit. The railroads have pursued aggressive furloughs and forced experienced workers to find different jobs to feed their families.

All of these policies could be changed, but the railroads have chosen to aggressively pursue profit – and not just reasonable profit. The railroads were profitable prior to PSR. We want the railroads to be profitable because it ensures we will still have jobs. What we do not want is the railroads to pursue profit unsustainably – which is exactly what is happening now.

Shippers have many options for moving their goods. And the market has shifted in the last ten years. For shippers that want to prioritize customer service, if they are not able to ship their goods on a daily basis, they may not be able to meet the expectations of their customers and their industries. If the railroads have reduced service to the point that another mode of transportation makes more sense for shippers – we understand why shippers would utilize those other modes.

This operating model is not sustainable to grow the industry. Without investing in high-quality service, in fully-trained workers, in proactive maintenance to prevent derailments, the railroads will not be able to maintain their high profit levels. It isn't hard for CEOs to increase profit for a single quarter by cutting workers and maintenance. What takes true leadership is building a railroad that will maintain relevance and profitability year after year as markets shift, as technology advances, and as new challenges arise.

As rail labor, we have been sounding the alarm about PSR for years. We know you're tired of hearing it. We're tired of talking about it, but our members are tired of being asked to do the work that was previously done by two or three people. It's not safe, it's not good for shippers, it's not good for consumers, and it's not sustainable.

We appreciate the opportunity to offer testimony and look forward to working with the STB in the future.