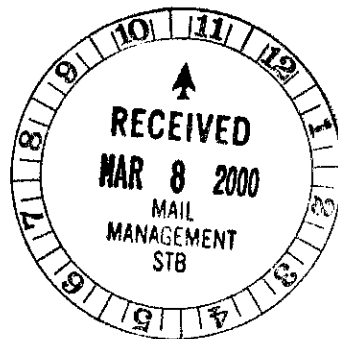




Brotherhood of Locomotive Engineers

1370 ONTARIO STREET
CLEVELAND, OHIO 44113-1702
TELEPHONE: (216) 241-2630
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EDWARD DUBROSKI
International President



via messenger

March 8, 2000

Surface Transportation Board
Office of the Secretary
Case Control Unit
ATTN: STB ExParte No. 582
1925 K Street, NW
Washington, DC 20423-0001

RECEIVED
Office of the Secretary

MAR 08 2000

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Public Record

To Whom It May Concern:

Enclosed for filing with the Board are the original and ten copies of the supplemental comments of the Brotherhood of Locomotive Engineers in the above referenced proceeding. A copy of the comments also is enclosed on the diskette and is convertible into WordPerfect 7.0 format.

Please stamp the extra enclosed copy of the comments as received so that the messenger can return it to me. Thank you.

Sincerely,

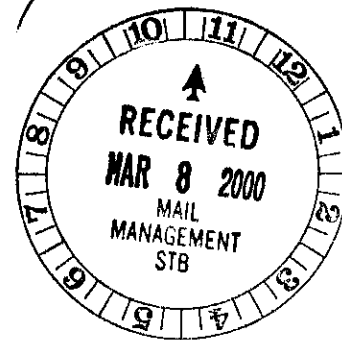
Edward Dubroski,
President

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BEFORE THE SURFACE TRANSPORTATION BOARD



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PUBLIC VIEWS ON MAJOR RAIL CONSOLIDATIONS

SUPPLEMENTAL COMMENTS OF THE
BROTHERHOOD OF LOCOMOTIVE ENGINEERS

Edward Dubroski
International President
Brotherhood of Locomotive Engineers
Standard Building Mezzanine
1370 Ontario Street
Cleveland, Ohio 44113
(216) 241-2630

Date: March 8, 2000

SUPPLEMENTAL STATEMENT OF THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS

The Brotherhood of Locomotive Engineers is the collective bargaining representative of the locomotive engineers who operate the trains of the Burlington Northern Santa Fe Railroad and the Canadian National Railway, including its Grand Trunk Western and Illinois Central components, as well as the CN's rail traffic controllers.

Railroad mergers usually extract a high price from railroad workers. The impact on BLE members — in terms of reduced earning capacity, benefits and employment levels — has been even more dramatic over the past seventeen years, since the introduction of the practice of overriding collective bargaining agreements that has become known as “cram down.”

America's railroads are littered with the carcasses of agreements reached through arms-length collective bargaining that were unilaterally repudiated by the carriers via the cram down mechanism. For these reasons, the BLE typically opposes most merger proposals.

However, after careful consideration, the BLE has decided to support the proposed merger of the BNSF and the CN. This decision is based on an unprecedented commitment by both carriers to address numerous concerns over the impact the merger could have for our BNSF, CN, GTW and IC members. The highlights of this commitment include the following:

1. no major downsizing of work forces, with reductions to be handled through attrition to the maximum extent practicable, and no transfer of jobs or work between the United States and Canada;
2. at least ten years of New York Dock protection, along with automatic certification, for adversely affected engineers and traffic controllers, together with an option for Canadian BLE members to choose the higher of New York Dock and current collectively-bargained protections, and relocation benefits more favorable than those provided under New York Dock; and
3. preservation of all existing collective bargaining agreements, except where modification is necessary to implement a consolidation, with a renunciation of any right to

“cram down” necessary modifications and deference to a BLE-devised seniority integration solution.

We believe that the commitment made by BNSF and CN is a giant step toward reversing the 17-year practice of “cram down,” and establishes a framework to guide the Board’s consideration of how labor protection issues should be addressed in both U.S. and international mergers. We also believe that certain characteristics of the proposed merger set it apart from those the Board has approved in recent years.

The retention of separate BNSF and CN identities under the North American Railways, Inc., banner — and the essentially “end-to-end” nature of the merger — diminishes the potential for a substantial negative employment impact, and reduces the likelihood of coordination problems, as experienced in the UP/SP merger. Moreover, the equity-based nature of the transaction means that revenues necessary for maintaining and improving service will not be diverted to service debt, as currently is the case in the Conrail/CSX/NS merger.

Finally, we are cognizant of global economic pressures on the manufacturing sector, and its trickle-down impact on the transportation industries. Our conclusion is that it is fruitless for the BLE simply to rail against these global forces, particularly when the commitment made by BNSF and CN provides a reasonable balance of the cost/benefit ratio for our membership. Accordingly, we urge the Board’s favorable consideration of the merger plan when it is filed.

Respectfully submitted,


Edward Dubroski
International President

Dated: March 8, 2000