

White House Recommendations Provide Framework for Bargaining Agreements

The [recommendations](#) from the Presidential Emergency Board (PEB) — a panel of arbitrators appointed by President Biden — would provide immediate and historic pay increases to rail employees. Equipped with these recommendations, the parties worked to negotiate voluntary agreements before the final “cooling off” period expired. Now, rail unions are working through their ratification processes, which vary from union to union.

 **More Information**
RailLaborFacts.org

 **Full Report**
[National Mediation Board](#)

If ratification proceedings are unsuccessful and agreements cannot be reached with all rail labor unions, Congress can, and has, historically intervened. In this case, equipped with the report, Congress could implement the PEB's recommended terms in whole.

Summary of PEB Recommendations

- **Pay:** Employees would receive a 24% compounded wage increase during the five-year period from 2020 through 2024, with a 14.1% wage increase effective immediately. Employees would also receive service recognition bonuses totaling \$5,000 over the course of the contract. Retroactive wage increases and lump sum payments would provide employees with an immediate payout totaling more than \$11,000 on average upon ratification. In total, these are the most substantial compensation changes in many decades in the railroad industry.

In context: If implemented, the average pay for a rail employee would reach about \$110,000 per year by the end of the agreement and total nearly \$160,000 annually when including health care, retirement and other benefits.

- **Healthcare:** Employees would maintain some of the best healthcare plans in the nation. The PEB recommended, “modest improvements” that maintain platinum benefits and set employee contributions at 15% per month. These costs are lower than relevant benchmarks for employer-sponsored health care plans and would bring rail workers in closer line with employees in other industries.
- **PTO:** Employees would receive an additional paid personal leave day per year.
- **Craft-Specific Rules:** The recommendations address limited work rule changes for certain crafts, including a process to make scheduling changes that will improve predictability and quality of life for operating craft employees and travel reimbursement rate increases for maintenance of way employees.