

at an agreement on procedures within 60 days from the date of this report. If the parties fail to agree on procedures the Secretary of Labor should be authorized to designate a Board to determine them through final and binding arbitration.

The scope of the study should be broad and have as its purpose rationalization of the wage structure within the railroad shops including a study of intercraft and interclass wage inequities as well as a meaningful comparison with similar jobs in outside industry. The study should be completed within 120 days from the date the study begins, or such longer period as the parties may mutually agree.

If the job evaluation study fails to establish acceptable wage differentials, the parties should agree to final and binding arbitration through a Board appointed by the Secretary of Labor, and the terms of the job evaluation agreement should so provide.

3. *Adoption of the Incumbent Rule*

Industries which have revised their wage structures have customarily adopted a "red circle" or "incumbent" rule under which no employee suffers loss as a result of the job evaluation study. We recommend that the parties adopt this rule.

4. *Crossing Craftlines*

The Board believes that job evaluation should not at this time include study of crossing craft lines. The Board has not sought to determine the merits of this proposal by the carrier; it merely indicates its opinion that a study of this sort is presently not feasible.

5. *Retroactivity*

To deal equitably with employees who will receive higher wages as a result of the job evaluation study the distribution from the "escrow" fund, as a first step to correct wage inequities, should be made retroactive to July 1, 1967.

6. *Cost*

The cost of the job evaluation study should be borne by the parties.

7. *Speed*

The Board believes that speed is essential in this process of rationalizing the wage structure of shopcraft employees, and it strongly urges all parties, in the public interest, to proceed as expeditiously as possible.

VII. OTHER ISSUES

Numerous other proposals of a fringe benefit nature were presented by the parties.¹⁰

¹⁰ See Appendices B and C.