

SURFACE TRANSPORTATION BOARD STOPS CANADIAN PACIFIC TRANSFER OF DISPATCHER JOBS FROM U.S. TO CANADA PENDING RESOLUTION OF SAFETY CONCERNS

Surface Transportation Board (Board) Chairman Linda J. Morgan announced action taken to prohibit the Canadian Pacific Railway (CP) from transferring five train dispatcher positions from Milwaukee, Wisconsin to Montreal, Quebec, Canada until certain safety concerns have been resolved.

The Brotherhood of Locomotive Engineers, a labor union representing the dispatchers working in Milwaukee, asked the Board to order CP to refrain from transferring the positions and, in support of its position, submitted a letter from the U.S. Federal Railroad Administration (FRA) warning that rail safety might be impaired if control over train operations within the United States were to be transferred from the United States to Canada.

In reaching its conclusion, the Board's order stated the following: "The Board now has in the record for the first time a definitive statement from the FRA that these positions should not be moved. Given this statement by FRA that the transfer of these positions could adversely affect rail safety, we will not allow their transfer to go forward under the authority of our labor conditions." The Board's action will remain in effect until the Board has been advised that the FRA's safety concerns have been satisfied. The Board has jurisdiction over the transfers because they were proposed in connection with the Board's prior approval of the acquisition of the Delaware and Hudson Railroad, located in the United States, by CP, which is headquartered in Montreal.

The order effectively stayed a prior Board decision that declined to review the award of an arbitrator upholding CP's right to transfer the five positions. The Board in its prior decision noted that CP had filed a safety compliance plan with FRA, and the public record then did not contain a definitive statement from that agency that the conduct of dispatching operations from Canada could be unsafe.

The Board's decision was issued on December 4, 1998, in *Canadian Pacific Limited, et al.--Purchase and Trackage Rights--Delaware and Hudson Railroad Company (Arbitration Review)*, STB Finance Docket No. 31700 (Sub-No. 13).

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