

APR 4 - 1968

L68-59

Mr. C. L. Dennis, International President
Brotherhood of Railway, Airline and Steamship Clerks,
Freight Handlers, Express and Station Employees
1015 Vine Street
Cincinnati, Ohio 45202

Dear Mr. Dennis:

This is in reply to the joint letter of March 25, 1968, written on behalf of the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees and The Great Northern Pacific & Burlington Lines, Inc. You enclosed copies of a sick leave rule tentatively agreed upon for inclusion in a consolidated agreement to be effective upon the consummation of the merger of The Great Northern Railway Company, The Northern Pacific Railway Company, The Chicago, Burlington & Quincy Railroad Company, The Spokane, Portland & Seattle Railway Company, and The Pacific Coast R.R. Company.

Our General Counsel has advised me that this rule would establish a nongovernmental plan for sickness insurance within the meaning of Section 1(j)(ii) of the Railroad Unemployment Insurance Act. Supplemental sickness benefits under the rule would not be "remuneration" as defined in the Unemployment Insurance Act, and would not interfere with the receipt of sickness benefits under that Act. They would not be subject to contribution under the Unemployment Insurance Act and would not be creditable as "compensation" under that Act or the Railroad Retirement Act.

A letter similar to this is being sent to each of the signers of the joint letter.

Very truly yours,



cc: Mr. Healy
Mr. Lyon
Secretary of the Board
Chief Executive Officer
Director of Unemployment
and Sickness Insurance

Howard W. Habermeyer
Chairman

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