

Con Ed union appeals to state commission to end lockout

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16 July 2012

As the lockout of 8,500 workers by Consolidated Edison, the major electricity and gas utility in New York City and adjacent Westchester County, enters its third week, negotiations between the company and the union, the Utility Workers Union of America (UWUA) Local 1-2, have resumed. However, no progress has been reported. The union has offered to return to work without a contract, placing workers in grave danger.

This past week, the union, with the support of the state AFL-CIO and the New York City Central Labor Council, sent a letter to the state's utility oversight agency, the Public Service Commission (PSC), requesting that it end the lockout on the basis that Con Ed is not providing the services for which its customers are paying and is endangering the health and safety of the workers and the public. This is the same agency that has granted nearly every rate hike requested by the company.

If the union's appeal to the PSC were granted, it would place Con Ed workers in the same position as those at Verizon and the New York City Transit Authority who have been working for long periods on expired contracts. Many Con Ed workers have said that they do not want to return to work without a contract. The union is silent about what it would do to fight against the company if the lockout were lifted. As with the Verizon and transit workers, the union hopes that time will wear down and demoralize workers to the point that they will accept whatever the employer offers.

The lockout began on July 1, immediately following the expiration of the old contract. It is clear that this was no spur of the moment decision on the part of Con Ed, but rather a carefully thought-out strategy designed

to bludgeon the workers into submission. The company's action is part of a growing national trend in which employers are aggressively attacking workers through the use of lockouts, threats of mass layoffs, and plant closures with the full support of the Democratic and Republican political establishment.

Across the country, union leaderships, after 30 years of increasingly close collaboration with management, following the AFL-CIO's betrayal of the PATCO strike, have responded by suppressing workers' attempts to fight back, keeping them isolated and promoting reliance on Democratic politicians, leading to defeat after defeat. This pattern is being repeated by the UWUA at Con Ed.

The premeditation on the part of the company is indicated by the statement of one of the 5,000 managers being used as replacements for the locked-out workers. He told WNYC: "For some people it's been a few years (since they were in the field), but we all went for a refresher training prior to the contingency." Clearly, the company intended to carry out the lockout. Its bargaining with the union, which began in April, was undertaken in bad faith. One worker who spoke with the WSWWS called it "surface bargaining," whose purpose was merely to run out the clock until the contract expiration.

In a further bid to force workers to submit, within a few days of the start of the lockout, Con Ed cut off their medical benefits. COBRA coverage for laid-off workers is not available for 30 days, leaving the workers and their families totally unprotected.

Gary Magliari, a union shop steward, told the WSWWS that the company's overall intent is to make itself more attractive for purchase by a larger utility company, continuing a decades-long consolidation trend in the industry nationwide. The various give-back provisions

being demanded by the company—an increase in medical insurance payments and copays, raising the retirement age, institution of a 401k-like retirement plan for new hires, and minimal pay hikes—are all intended to bring down the cost of labor. This is despite the fact that Con Ed is already highly profitable.

Between 2008 and 2010 the company made \$4.263 billion. In 2011 its profit was approximately \$1 billion. Over the last three decades, government regulators have granted Con Ed a string of rate increases that have made the cost of energy to its customers among the highest in the country. This during a period when government and business interests had promised that deregulation would lead to lower costs for consumers.

The pattern of demanding dramatic reductions in wages, pensions and health benefits was set by President Obama's so-called auto bailout, with the full cooperation of the unions, and has been followed by state and local governments from California to New York as well as such private firms as Caterpillar and Cooper Tire. Similarly, the lockout tactic is being used by companies with increasing frequency, as for example at the recently concluded lockout at an Entergy nuclear facility in Massachusetts. (See: "Massachusetts: Locked-out nuclear power plant workers reject contract"). Those workers are members of UAW Local 369.

For years Con Ed has engaged in workforce reductions (over a third during the last three decades) and has failed to properly maintain and upgrade the system, leading to major blackouts as recently as 2006, all overseen by the PSC. In its last petition to the PSC for rate hikes, in 2008, Con Ed emphasized reductions in consumption over infrastructure investments in order to maximize profits. These are the real causes of the dangers posed to workers and customers.

The response of New York City's media and the politicians to the reckless endangerment of the public due to the threat of catastrophic failures in the electric system caused by the combination of inexperienced crews and extremely high demand during summer peak loads has been virtually nonexistent. The hypocrisy of this callous attitude appears in sharp contrast to the vicious attacks on workers who are forced to go out on strike.

It was recently revealed that Con Ed made a \$250,000 donation to the "Committee to Save New York." This

is an organization founded and funded by large corporations and wealthy individuals whose purpose is to support New York state's Democratic governor Andrew Cuomo's anti-working class political agenda. According to a Con Ed spokesman quoted by *Crain's New York Business*, "We agree with the committee's goals, including fiscal discipline, low taxes and a business friendly environment." In 2011, the committee spent \$12 million in support of Cuomo's program.

A further connection between the company and the governor exists in Michael Del Giudice, a longtime friend and adviser to the Democratic governor, who has been a Con Ed board member since 1999. Nevertheless, the union has appealed to the governor to intervene and "mediate" the talks. It should be remembered that it was Cuomo who last year used the threat of 9,800 layoffs to force state workers to accept major contract concessions. The Utility Workers Union of America Local 1-2 and its international union have made \$17,000 in contributions to Cuomo since 2008.

Con Ed—with the full support of the banks and other corporations, as well as the big-business politicians—is determined to inflict major losses on the workers. The workers themselves have repeatedly stated that they understand this is a fight not only to defend their own conditions but for the working class as a whole. However, their union leadership is determined to keep the struggle within traditional bounds, relying on appeals to the "reasonableness" of the company and the politicians and keeping the workers effectively isolated from the rest of the working class. This can only lead to defeat.

This is a political struggle, not only with Con Ed itself but against the entire capitalist class, which is seeking to make the working class in the US and around the world pay for the deepening economic crisis. Con Ed workers must break from the union leadership's straitjacket and form independent, rank-and-file committees to reach out to and mobilize the rest of the working class on the basis of a socialist program.



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