

# Union agrees to Con Ed demands to end lockout in New York

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After nearly four weeks of a lockout of its more than 8,000 unionized employees, Consolidated Edison (Con Ed), the power utility serving New York City and adjacent Westchester County, and the Utility Workers Union of America (UWUA) Local 1-2 announced a tentative agreement on Thursday afternoon.

The agreement was reached following the intervention of the state's Democratic governor Andrew Cuomo. It came in advance of severe storms that were predicted to sweep the state, with the potential to cause extensive loss of power.

Few details of the agreement are yet available. However, initial news reports indicate that major concessions have been made by the union. *Crain's New York Business* reported online that, "Several sources said the union agreed to switch new hires to a cash balance [i.e. 401(k)-like] pension plan from a defined benefit one. Con Ed pushed hard for the change, which had been a major sticking point in negotiations."

Con Ed has been demanding substantial concessions from the union, including the institution of the two-tiered pension system, significant increases in medical insurance payments and co-pays, and minimal pay increases. This is despite the fact that Con Ed is highly profitable, having netted a billion dollars last year.

Locked out workers repeatedly told the WSWs that they were strongly opposed to a two-tiered pension system.

Statements by union officials posted on Facebook after the agreement was announced indicated nervousness over members' skepticism about the terms of the contract. "Today's move on the part of President Harry Farrell is one of good faith to the Governor and to the people of the city of New York. This has been the first time there has been real movement regarding

contract negotiation. Harry Farrell would NEVER sell any of the members of Local 1-2 out. It is time to hang tough and have faith in the man that has brought us this far."

Workers were told to return to work immediately, and the union president expressed hope for a quick contract ratification.

The company had been preparing for the lockout for a year in advance, implementing its plan to use management personnel, retirees, and outside contractors, as soon as the old contract expired on July 1. The lockout was part of the corporate drive across the country and internationally to savagely attack workers' living standards in order to maximize profits and make workers pay for the economic crisis.

In recent days, a number of Democratic politicians had been urging Cuomo to exercise pressure to end the lockout in order to avert potentially catastrophic service interruptions due to the strain on the electrical system caused by repeated heat waves. The union had based its response to the lockout on an appeal to these same politicians. It also filed a petition to the state's utility regulator, the Public Service Commission (PSC), on the basis that Con Ed was not providing safe and effective service to its customers. However, the commission indicated it would not intervene in a labor dispute.

The absence of Con Ed's trained and experienced workforce put the city in grave danger. Cuomo initially said he would not get involved. In recent days however, both company and union officials, as well as the corporate media, most notably *The New York Times*, increased their calls for his intervention in order to avert potential disaster.

Both the union and the company are praising Cuomo's involvement. "We never would have been able to get this done without the governor's

intervention,” said Local 1-2 President Harry Farrell.

The union’s reliance on appeals to the government, and to governor Cuomo in particular, was designed to keep workers tied to the Democratic Party. Last year, Cuomo, with the full cooperation of the unions, threatened state workers with 9,800 layoffs if they did not accept major contract concessions. Cuomo’s corporate supporters, organized in the “Committee to Save New York,” received a quarter of a million dollar donation from Con Ed last year.

Given the circumstances in which the agreement was reached, there can be no doubt that, if passed, it will represent another blow to workers’ living standards.



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