

Con Ed locks out 8,500 workers in New York

Dan Brennan
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Consolidated Edison locked out 8,500 workers in New York City when the contract between the power provider and Local 1-2 of the Utility Workers Union of America expired Sunday morning.

The \$39 billion utility corporation, which provides electricity, gas and steam to 3.2 million customers in New York City and the northern suburb of Westchester County, abruptly cut off negotiations shortly after midnight and refused to set a date for resuming talks. “They stood up and kicked us out,” John Melia, a spokesman for Local 1-2, told the *New York Times*. The lockout preempts any strike action, which had been authorized by the union membership.

Local 1-2 has made public few details about the contract proposal, aside from general references to Con Ed’s demand to transform the pension plan from a defined-benefit model to a cash balance plan. The latter, which is similar to a defined-contribution 401(k), would likely entail a significant lowering of payments to retirees, whose income would be dependent on the fortunes of the stock market. Wages and health care benefits are also under attack, according to union officials.

Con Ed joins a growing list of companies around the country that are going on the offensive and locking out their workers in order to push through concessions. Last year, 19 companies in the US locked out employees, according to the *New York Times*, a sharp increase in a tactic that until recently was used only rarely. Cooper Tire, American Crystal Sugar and the New York City Opera are among the most notable firms on this list.

Meanwhile, 35,000 New York City transit workers remain in limbo, working without a contract since January.

Despite slogans of “whatever it takes,” union officials proposed no organized response to the lockout on Sunday. No pickets were organized and practically

no information was provided to the rank-and-file workers. Officials stressed their readiness to agree to a two-week extension of the existing contract, disputing company claims to the contrary.

Con Ed is preparing to use up to 5,000 supervisory and other non-union employees as strike-breakers to maintain the electrical grid and perform field repairs. The company has curtailed work on major construction projects, canceled meter readings and closed walk-in service centers.

The ability of Con Ed to maintain the system may be severely tested this week. Weather forecasts call for an extended heat wave, with temperatures near or exceeding 90 degrees Fahrenheit.

The aging electrical grid, when strained by a spike in power demand due to increased use of air conditioning, frequently suffers power outages and voltage reductions. Elderly residents in particular are at high risk. If the electrical grid cannot be maintained, heat-related deaths will inevitably result.

In the summer of 2010, Con Edison imposed 5 percent to 8 percent voltage reductions in twenty neighborhoods in the boroughs of Brooklyn and Queens, affecting half a million customers, because of electrical cable failures.

In July 2006, 100,000 people in predominantly working class neighborhoods in Queens were left without electricity for a full week.

The company’s CEO, Kevin Burke, received nearly \$12 million in compensation last year. The entire board of directors was rewarded a 20 percent pay increase. Con Edison is unique among utilities in that it has raised its dividends to shareholders annually for the past 38 years.



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