

CSX railroad workers denounce Wall Street plundering

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The WSWS urges railroad workers to contact us here or comment below with any information.

The hedge fund takeover of CSX railroad has thrown the company into a downward spiral, with a series of events this week pointing to chaos provoked by the recently appointed CEO Hunter Harrison. Widespread comments from employees about the state of affairs at the railroad provide a stark contrast to the rosy promotion that the financial press is giving the “turnaround specialist” at the helm.

Harrison is seeking to slash costs to further boost the share price of the company and enrich its top investors. He is taking an axe to equipment, maintenance, facilities, management personnel and railroad workers. Implementation of the cuts has been sudden and reckless, causing widespread complaints of poor service by industrial customers. Shippers have reported they are shifting traffic to trucks or competitor Norfolk Southern. Companies have been forced to halt production after rail shipments arrive days or even weeks behind. The complaints are so widespread that the federal Surface Transportation Board had to intervene, proposing toothless policies to monitor CSX’s performance.

Harrison, who is being paid \$300 million over the next four years, responded on Monday with a letter to shippers. With the utmost cynicism, he blamed railway workers, declaring, “The pace of change at CSX has been extremely rapid, and while most people at the company have embraced the new plan, unfortunately, a few have pushed back and continue to do so. This resistance to change has resulted in some service disruptions.”

A railroad Train and Equipment crew member (T&E) who spoke to the WSWS contested the slander, saying, “Everywhere I go, everyone is trying to make this

work. He comes in, and four months later all the customers are complaining—and we are to blame? It is 100 percent BS.”

Another T&E crew member said, “We sacrifice a lot, especially the time away from our friends and family. We take pride in what we do and for him to try to use us as a fallback because his ‘precision railroading’ is failing miserably is just insulting to all of us. The company was operating substantially better before he was approved. Most of my brothers out here agree that he has done nothing but slowly destroy the company piece by piece. He’s given us no information on what the final endgame is going to be.”

The first worker continued, “Our previous administration [former CEO Michael Ward and current COO Cindy Sanborn] were serious corporate raiders but they did it quietly. Nobody liked them, they wanted one-man crews and cooked the books. They would have managers coming out there and watching for any little mistake to write you up. It was nothing but fear and intimidation that ground us to a halt.

“At first Harrison wiped out a layer of that management and there was a positive attitude. Some operating rules he took away people agreed with. But Harrison is more ruthless, and things are not going his way. There are secret teams showing up in crew rooms dressed in engineer and conductor uniforms, listening in on crew conversations to catch critical comments, and firing workers for ‘conduct unbecoming of employees’ and ‘insubordination.’ They are watching Facebook, and the previous administration changed our discipline policy to include social media, which can get you fired for a critical comment.”

The blog “CSX Sucks,” which has aired workers’ complaints for over 15 years, has won legal battles against CSX’s efforts to shut it down.

This pattern of intimidation has been a Harrison trademark at his past stints at Canadian Pacific Railroad and Canadian National Railroad. Even in the 1980s, when he was at Burlington Northern Railroad, he was known to fire anyone who disagreed with the way he wanted policies conducted—often policies that related to safe or sensible operation.

Reports of the most petty intimidation are now common at CSX, such as employees having their personal possessions dumped out of lockers and onto the ground, with no warning, when Avon Yard in Indianapolis was closed last weekend. That closure, which shifted traffic to three poorly equipped yards, has been partially reversed in a matter of days because it proved to be such a calamity. Decisions with large implications come from upper management with little to no warning, leading to high pressure scenarios.

Yardmasters, who control yards, have had workloads double and triple. They increasingly control a yard they are located at, and one or more yards in other locations remotely. For years, dispatchers have had their territories expanded, leaving them to juggle hundreds of miles of railway operation.

The T&E employee added, “I am watching good men and women start to crack, management and labor. You walk into the office and it is high tension. Trainmasters look depressed, forlorn, upset. I think you are going to start seeing the place fall apart when Harrison’s lackeys from CN and CP take over and they say ‘do it or die.’ As for us, even including lower management, we are all in the ship together and we call it the Titanic.”

At CN and CP, Harrison had a notorious policy that trained management to run trains and serve as strikebreakers, with union engineers responsible for training them. Serious derailments were linked to operations by these less-trained management employees.

Already, questions could be raised about public safety under the policies that CSX management, past and present, uses to run trains.

Early Tuesday, a CSX freight train descending a steep mountain grade derailed 34 of its 178 cars in Hyndman, Pennsylvania. A fire that has burned two days ensued, and the town was evacuated. Both the length and tonnage of the train were very large, following standards set in place in the last few years where

management combines trains to save on crews. Details of the exact cause of the derailment are under investigation.

CSX workers are also voicing their disgust with the lack of opposition from the unions, and the concessionary deals that are being negotiated with Harrison. A T&E employee said, “The workers have suffered out here because the BLE [engineers] and SMART [conductors] have spent the majority of their times fighting each other instead of fighting the company.”

There is widespread opposition to the Brotherhood of Locomotive Engineers and Trainmen (BLET) offer to ditch working rules in return for higher hourly pay. In a remarkable statement, the union said, “We have been fighting for these work rules for 150 years and they are going to have to pay us to erode that.”

Harrison has mentioned that 35 percent of T&E employees could eventually be laid off. The ruthless intimidation of workers and loss of business would be one cause. But another could be the hourly agreement, which would let CSX push engineers to complete multiple assignments per shift, and effectively eliminate many local assignments. The BLET, in proposing the arrangement, is sowing divisions within the membership relating to pay and seniority.

These issues are of vital importance to railroad workers across the country. The unions have forced workers to stay on the job three years after the expiration of their labor agreements, even though the carriers have remained intransigent in their concession demands. Comments from workers at Norfolk Southern document many similar cutbacks to CSX, with hump yards being closed, yardmasters forced to cover more yards, layoffs of T&E employees, and bloated, oppressive management. Another T&E worker states that “CSX already has been a profitable railroad every quarter for years. How much profit is enough?”

To the railroad and Wall Street investors behind it, there is never enough.



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