

Locomotive builders strike Wabtec in Erie, Pennsylvania

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Workers at the Wabtec locomotive plant in Erie, Pennsylvania struck Tuesday, the day after new owners unilaterally imposed sweeping concessions on 1,700 workers at the plant.

The walkout came after last-minute appeals by the United Electrical (UE) workers union for a temporary extension of the previous contract failed. The new terms include a two-tier wage structure, mandatory overtime, the consolidation of job classifications and the demand that employees use vacation during temporary shutdowns. Workers currently on layoff who are called back to work would be forced to accept wage cuts of up to 38 percent under the two-tier structure, and the company can hire temporary workers to fill up to 20 percent of jobs at the plant.

Wabtec, formerly Westinghouse Air Brake Technology, just completed an \$11 billion merger deal with General Electric to buy its transportation division as part of moves by GE to divest itself of some \$20 billion in assets in order to raise cash to pay down debts. Because of the deal, Wabtec will now be listed in the S&P 500 stock index. The company was required to recognize the United Electrical workers as the bargaining agent at the locomotive plant, but it is not required to abide by terms of the existing labor agreement.

The GE deal included Wabtec's purchase of the locomotive engine plant in Grove City, Pennsylvania, employing about 1,000 working under terms of a separate agreement. Engines built in Grove City are used for final assembly in Erie. Wabtec now also owns the former GE Transportation plant in Fort Worth, Texas, which is non-union.

This week's walkout is the first open-ended strike at the facility since 1969-70, when a 14-week company-wide strike against GE won gains, including improved

health benefits, sick leave and cost of living.

Management has attempted to maintain some operations at the Erie plant, with police escorting strikebreakers across the picket lines. In a statement justifying its actions, Wabtec said that new hires would be paid a "competitive" wage and that cuts were needed in order to compete in global markets.

Workers have responded enthusiastically to the strike, with mass picketing at all the gates. There have been reports of wide community support, with Erie residents stopping by with food and coffee for the strikers.

The walkout takes place in the midst of an ongoing series of strikes by teachers who recently walked out in Los Angeles, Denver and West Virginia. A strike by teachers in Oakland, California, is continuing with broad public support. This in turn is part of a growing wave of strikes internationally, including the upheaval of low-paid *maquiladora* workers in Matamoros, Mexico, which led to a parts shortage and production slowdown at Ford plants in the US and Canada.

The strike at Wabtec is one of the largest strikes by industrial workers in the US since the strike by 6,500 oil refinery workers in 2015 and the seven-month lockout in 2015-16 of 2,200 workers at Allegheny Technologies, Inc. Both struggles were betrayed by the United Steelworkers union.

Erie is a city that has been devastated by decades of deindustrialization, along with large parts of the Northeastern US. The locomotive plant is one of the few workplaces in the area that still pay what by contemporary standards is a relatively decent wage. About one in four residents in Erie live in poverty.

Wabtec is a global corporation with operations in North and South America, Africa, Europe, Asia and Australia. The company makes a wide range of transportation related products, including locomotives,

freight cars, passenger transit vehicles and power generation equipment. Many of the locomotives built at the Erie plant are for export.

GE Transportation has been highly profitable, with a reported profit margin of 16.5 percent through the middle of 2018. Locomotive orders are also up sharply.

Albert Neupaver, Wabtec executive chairman, received a reported \$3.24 million in executive compensation in 2017. According to wallmine.com Neupaver cashed in Wabtec stock worth over \$6 million over the last seven years.

Wabtec CEO Raymond Betler was the highest paid officer, receiving \$3.35 million in 2017. He cashed in \$3.8 million in stock options in 2018 alone.

Erie locomotive workers face the danger of being isolated and betrayed by the United Electrical workers union. The UE has not sought to link the struggle of workers in Erie with those of other GE workers and industrial workers, including steelworkers and autoworkers. Instead the UE is promoting Democratic politicians such as US Senator Bernie Sanders, who has decided to make the strike an issue in his campaign to become the Democrats' presidential nominee.

The Vermont senator tweeted Tuesday, "I'm proud to stand with the locomotive manufacturing workers of @ueunion Local 506 and 618 in their fight against GE/Wabtec to maintain decent wages and working conditions."

For all Sanders' professions of sympathy for workers, the Democratic Party has presided over a social disaster in Pennsylvania and across the United States. Under the Obama administration social inequality soared to record levels while part-time and temporary work supplanted full-time employment.

Erie's Democratic mayor, Joe Schember, a former bank official, has dispatched the police to escort management strikebreakers across worker picket lines.

Jerry Dias, president of the Canadian Unifor union, whom the UE touts as an ally, also professed support for the Erie workers. In response to the announcement by General Motors that it is closing its factory in Oshawa, Ontario, Unifor has sought to divert workers' anger by targeting Mexican workers, calling for a boycott of Mexican-assembled GM vehicles. At the same time it has moved in quickly to squelch militant protests by GM workers.

Unifor did nothing to oppose the recent closures of

the GE Transportation factory in Petersborough, Ontario, which had been in operation for 125 years and at one point employed 6,500 workers. The closure followed a series of lawsuits over health and safety conditions. The plant had seen a high level of illness among former employees that, according to a report, were linked to exposure to more than 3,000 toxic chemicals.

Wabtec workers should study the experience of Caterpillar workers in Canada. In 2012, Caterpillar locked out workers at its Electro-Motive Diesel locomotive assembly facility in London, Ontario, after they refused to accept a 50 percent wage cut. Management then announced that the plant would be shut down and production shifted to a facility in Muncie, Indiana, where wages were just \$12 an hour. The Canadian Auto Workers, which later became Unifor, caved in totally, accepting the closure in exchange for a miserable severance payout.

To avoid a similar betrayal, Wabtec workers must fight to link their struggle with the ongoing strikes by teachers and broader sections of the working class, including workers at UPS and Amazon as well as autoworkers, steelworkers and telecom workers.

Absolutely no confidence can be placed in the UE, which has conducted no serious preparations for a fight. The *World Socialist Web Site* advises workers to form a rank-and-file strike committee, independent of the union, to fight to spread the strike to other Wabtec facilities, including Grove City, and block shipments of products or equipment out of the plant.

No confidence can be placed in the sugar-coated lies of politicians like Sanders. Workers can win only by relying on their own organization and strength. We urge Wabtec workers interested in learning more about rank-and-file committees to contact the *World Socialist Web Site*.



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