

United Electrical Workers union offering concessions at Erie, Pennsylvania locomotive plant

Jessica Goldstein
5 June 2019

Negotiations between Westinghouse Air Brake Technologies Corporation (Wabtec) in Erie, Pennsylvania and the United Electrical, Radio & Machine Workers union (UE) Locals 506 and 618 will continue today. Workers at the plant in Erie are currently working under an extended contract and facing employer demands for wage cuts backed by threats of job losses.

On February 26 1,700 workers went on strike at the Erie plant for nine days after the plant, formerly GE Transportation, was taken over by Wabtec in a merger, with the new owners demanding the institution of a two-tier wage system, wage cuts, slashing of pension and healthcare benefits, mandatory overtime and the hiring of more contract workers. The negotiations between the corporation and the union are a part of a 90-day interim agreement between the unions and Wabtec in early March that ended the strike.

According to the latest reports, the UE has offered the company a wage proposal that cuts labor costs by \$42 million while not setting a deadline for strike action—more or less a guarantee that the corporation will get the cuts and two-tier system that it demands.

The UE's decision to end the strike after nine days was a betrayal. By agreeing to end the strike without a settlement, it demobilized workers while allowing management ample time to accelerate its strikebreaking plans.

Wabtec called the UE's latest proposals “not sustainable” and said they were “putting the preservation of jobs at the Erie plant in jeopardy.” Management is threatening workers with job losses, saying that they will shift jobs from Erie to other plants in the US and throughout the world if workers do not

accept the “competitive pay structure” it wishes to implement. This means that newly hired workers would start between \$17 and \$22 per hour—already far below the average of \$35 per hour—and will not be able to work up to a \$35 per hour pay rate for sixteen years, effectively creating a two-tier wage system in the plant.

Workers in the Erie plant are part of a highly exploited, globally interconnected labor force. Unionized workers at the plant build diesel-electric freight train locomotives, each of which sells for several million dollars to Wabtec's domestic and international customers.

Workers are opposed to concessions that would drastically cut down the standard of living of new hires and divide the workforce. As one worker commented on a recent news piece on the negotiations: “16 years to...go from \$17 to \$35. The best part is, if you know locomotive market cycles then you can count on a layoff about every 2-3 years. So then if we refer to one of their other demands of one-year call back rights, for [sic] anyone with less than 10 years, you can quickly see nobody will ever get to full rate as they will keep restarting at the bottom.”

Workers at Wabtec in Erie already face eroding wages and difficult working conditions. Workers on the job review website indeed.com complain that they “work like slaves” with no time to spend with family, are expected to work 10-to-12-hour days to meet unrealistic expectations, receive no bonuses and have constantly increasing healthcare premiums.

In addition to the stress of meeting production expectations, workers complain of overheating without basic air conditioning and dangerous, physically grueling work. The Occupational Health and Safety

Administration (OSHA) has reported 11 health and safety complaints against the plant over the past decade.

If jobs at Wabtec are cut in Erie, it will impact the entire economy in the area. Last month, the Erie Regional Chamber and Growth Partnership released a report indicating that mass layoffs at the plant would strike a \$400 million blow to the area's economy. Wabtec is the largest employer in the city and its surrounding area; workers in other businesses and industries, teachers, healthcare workers, and others will feel the impact if workers suffer the job losses and drastic wage cuts that are being planned.

If workers are to take their struggle forward and win back the concessions they have sacrificed and what they need to raise their living standards to a higher level, then they must take the struggle out of the hands of the union, which has no intention of organizing workers to fight against the attacks being planned by the corporation. Workers must fight to build a rank-and-file committee at the plant and link up with other Wabtec workers, steel, auto, transport workers, teachers and nurses in the US and around the world.

It is clear that the UE will do everything that it can to prevent another strike. The union is working to push through a wage-cutting deal with the company, at the same time keeping workers in the dark about the details of the concessions being discussed.

The UE has an agreement signed with the company that it will give Wabtec at least 30 days' notice before workers could potentially go on strike again—leaving plenty of time to prepare its strikebreaking operations.

In a joint statement issued Tuesday, both the union and the company stated that they “remain optimistic that we will find a fair and equitable outcome for all parties.” By both parties, they mean the well-paid officials in the UE bureaucracy and wealthy executives at Wabtec like CEO Raymond Betler, who earned total compensation of \$3.5 million in 2017.

In a guest column on GoErie.com, union officials begged state officials to come to the city to offer financial incentives to the corporation to keep low-wage production at the plant—meaning tax breaks and other enticements that will come out of funding for social programs and infrastructure that benefit the working class.

The UE is seeking to further isolate workers in Erie

from their class brothers and sisters internationally, with its ongoing “Keep it Made in Erie” campaign—an appeal to the corporations to keep the plant open on a shoestring budget in return for cheap labor. The union has done nothing to protect workers' jobs at the plant. At its peak, the sprawling plant employed 21,000 workers; now fewer than 10 percent of those jobs remain, after repeated layoffs, including a layoff of 950 workers in 2013, which spurred workers to walk out in protest. An additional 572 jobs were cut in 2017.

Workers are determined to fight. However, the UE is determined to block and sabotage any struggle. This is because its entire perspective is based on the defense of the capitalist profit system and the need to make US corporations competitive on the world market by slashing labor costs at home.

Workers at Wabtec have a right to job security, good wages and guaranteed healthcare and retirement benefits and a safe place to work with time to spend with family. A fighting program is needed for the working class to secure these basic rights.

The first step in organizing a fight back is for Wabtec workers to take the struggle into their own hands, forming rank-and-file committees to link up with other workers coming into struggle around the US and globally, including the 27,000 workers at Wabtec's operations spanning 50 countries. The fight at Wabtec takes place alongside a continuing strike wave by teachers and other sections of workers demanding a stop to endless concessions and the defense of workers' living standards. It poses the need for the development of an independent political movement of the entire working class. The defense of jobs is bound up with the fight for a socialist program based on taking basic industry out of private capitalist hands and putting it under the democratic ownership and control of the working class.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact