

# BNSF reports record 2021 profits days after obtaining anti-strike injunction

Erik Schreiber  
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On Saturday, freight rail carrier BNSF reported record profits for 2021. The company's operating income for the year was \$8.8 billion, which represented a significant 13.7 percent increase from the previous year. Revenue also increased to \$22.5 billion, which was 11.6 percent above last year's total.

The announcement of the financial bonanza came just four days after a federal judge upheld an injunction that bars workers from striking over the company's brutal new Hi-Viz attendance policy. The points-based policy penalizes workers for taking time off for any reason whatsoever and will be used to squeeze even more profits out of workers' labor. Imposed unilaterally on February 1, the Hi-Viz policy is intensifying workers' already grueling and unpredictable schedules, which make it all but impossible for workers to see doctors or spend time with their families.

BNSF's operating ratio decreased by 0.7 percentage points last year to a record-setting 60.9 percent, according to a report from Berkshire Hathaway, the holding company helmed by mega-billionaire Warren Buffett (current net worth, \$114.7 billion) which owns the railroad. A company's operating ratio is the percentage of its revenue that is consumed by its operating expenses. The railroad industry overall seeks to keep its operating ratio at 80 percent or lower.

BNSF's remarkably low operating ratio results largely from aggressive cost cutting. The continued reduction of expenses was doubtless a motivation behind the imposition of the Hi-Viz attendance policy. Workers' opposition to the policy already has taken the initial form of a sharp increase in resignations. BNSF will use the policy to reduce its workforce even further by terminating workers who take "too much" time off. The railroad's unstated aim is to establish a smaller

pool of employees working around the clock as virtual slaves.

BNSF's freight volume rose by 6.9 percent in 2021, compared with the previous year. The overall volume increase resulted from a growth in shipments of coal (8.9 percent), consumer products (7.7 percent), industrial products (5.4 percent) and agricultural products (2.9 percent).

Of all freight categories, coal accounted for the largest increase in BNSF's operating revenues (21.5 percent). The increase reflected higher volume and greater average revenue per unit. The increase in volume resulted from greater electricity generation, higher natural gas prices and increased export demand, according to the report.

Consumer products accounted for the next largest increase in operating revenues (13.7 percent). Increased retail sales, a rise in inventory restocking on the part of retailers and rising online shopping contributed to the increase in the volume of consumer products, according to the report. BNSF's average revenue per car or unit also increased in 2021.

Operating revenue from agricultural products increased by 5.8 percent, and operating revenue from industrial products increased by 5 percent. The latter increase resulted mainly from improvement in the US industrial economy, particularly in construction and building, according to Berkshire Hathaway.

The relative increases in operational revenue do not correspond exactly with the relative proportions of revenue that the various freight categories represent for the company. The largest portion of BNSF's freight revenues (38 percent) came from consumer products in 2021. A further 24 percent came from industrial products, 23 percent from agricultural products and 15 percent from coal.

“BNSF trains traveled 143 million miles last year and carried 535 million tons of cargo,” wrote Warren Buffett in his annual letter to shareholders. “Both accomplishments far exceed those of any other American carrier,” he added, calling BNSF “an indispensable asset for America.”

The railroad’s size and capacity make it “an indispensable asset” not only for its shareholders, but also for US-NATO preparations for war against Russia. In the event of armed conflict, the Biden administration would focus significant attention on ensuring that BNSF kept supply chains connected. Biden also could mobilize the railroad to move military materiel and other necessary equipment to aid the war effort.

BNSF’s Hi-Viz attendance policy requires workers to be available for duty 24 hours per day for two weeks straight to earn back points that they have lost by taking time off. The company will use this policy not only to ensure the steady generation of profits for its Wall Street shareholders, but also to press workers into servicing US imperialism’s war machine.

Most of the railroad’s conductors and engineers are members of the Brotherhood of Locomotive Engineers and Trainmen (BLET) or the International Association of Sheet Metal, Air, Rail and Transportation Workers-Transportation Division (SMART-TD). The unions made no serious attempt to stop the company from imposing its Hi-Viz policy. The unions limited themselves to requesting a restraining order against BNSF when it was already too late to have any practical effect.

Since the federal judge granted BNSF the anti-strike restraining order, BLET and SMART-TD have faithfully enforced it. Not only have the unions warned workers not to advocate or talk about a strike, they also have imposed an additional restriction by forbidding workers to talk to the media at all. All the while, BLET and SMART-TD officials have tried to cover their treachery by directing workers’ attention to futile legal appeals. As BNSF itself gloated in a recent court filing, the unions have never prevailed in court in 33 years.

BLET and SMART-TD have engaged in a charade to give workers the impression that they are fighting the company, even as they uphold its interests. Workers will not be able to oppose BNSF’s exploitation successfully or prevent a potentially catastrophic war without taking initiative independently of the unions

and of both political parties. Workers have already taken the critical first step in initiating the BNSF Workers Rank-and-File Committee, which has formulated a list of demands and guiding principles. All workers who want to wage a genuine fight for their interests should join the committee by contacting [bnsfwrfc@gmail.com](mailto:bnsfwrfc@gmail.com).



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