

Workers at Wabtec locomotive plant in Erie, Pennsylvania walk out after decisive rejection of company's "final offer"

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Some 1,400 members of two United Electrical Workers (UE) locals went on strike Thursday at the Wabtec locomotive plant in Lawrence Park, outside Erie, Pennsylvania after rejecting the company's "final offer."

Facebook videos showed spirited picketing following the contract rejection. Workers can be heard shouting "corporate greed" and "workers fight back." Many passing cars honked their horns in support during the day.

UE Local 506 and Local 618 did not call a strike when the previous 4-year contract agreement expired on June 10. Instead, they agreed to bring management's insulting contract proposal to a vote this week. The company had offered a \$3,000 signing bonus, a one-time raise of 3.4 percent to "legacy" employees and a \$1 across-the-board raise to "in progression" workers, followed by annual 2.5 percent raises.

The UE had called for cost-of-living protection as well as an initial 11 percent raise followed by annual increases of 6 percent. The union had also opposed a management scheme for expanding the number of subcontract workers in the plant and for the restoration of the right to strike over grievances and elimination of tiers. According to a UE statement, health care is also a major issue.

Following the contract rejection, management issued a statement declaring, "We made every effort to reach a new agreement that would, at a minimum, not further degrade the competitive position of the Erie facility."

In the days leading up to the contract vote, Joe Cavalier, vice president of operations for the Erie plant, wrote a letter to UE leaders offering to rescind the

company's plan to bring in subcontractors that could lead to the permanent layoff of up to 275 union members.

Workers were clearly in no mood to accept management's paltry offer after suffering through a four-year pay freeze agreed to by the union in 2019 following a 9-day strike. That strike followed the sale of the plant by General Electric to Wabtec and ended without a settlement. The 2019 contract also imposed a two-tier wage structure under conditions where a considerable portion of the workforce is made up of temporary workers. Workers also took cuts to pensions and healthcare, amounting to some \$42 million in cost savings for management.

Providing critical assistance to the UE in imposing that miserable deal was Vermont Senator Bernie Sanders, who provided a "socialist" cover to the UE while it proceeded to call off the strike in 2019 without a contract in place.

The two-tier system eventually put in place in 2019 imposed a starting wage averaging \$22 per hour with a ten-year progression to reach the then current top pay of \$35 per hour.

In its public pronouncements about the ongoing strike, the UE has portrayed the struggle as a fight for "the right to strike," downplaying workers economic grievances.

According to the company website, Wabtec operates in 50 countries and employs 25,000 people, producing 20 percent of all freight locomotives in current use globally. The company, founded as Westinghouse Air Brake in 1869 and with headquarters in Pittsburgh, Pennsylvania, also builds components for freight cars and transit systems.

Last year, rail maintenance workers in the UK struck a Wabtec rail maintenance facility in Doncaster against a real terms wage cuts and a reactionary “fire and hire” scheme.

Wabtec operates another, nonunion, locomotive manufacturing facility in Fort Worth, Texas, that employs about 900 workers. It has periodically used threats to shift work to Fort Worth in efforts to extort concessions from workers at its Erie plant.

Wabtec bought the entire GE locomotive division, GE Transportation, in 2019 as GE continued to struggle financially in the wake of the 2008 global financial crisis. The purchase included the Erie operation. As of 2012, the Erie plant employed some 5,000 workers, but GE steadily shifted work away from the plant, leaving just 700 workers by 2019. Since buying the facility, Wabtec has brought in new work, including production of biodiesel locomotives and work related to mass transit, doubling the workforce to approximately 1,400.

Last year Wabtec announced it had won a contract from Union Pacific railroad worth \$1 billion to upgrade 600 locomotives to meet new environmental standards. The company had called the deal “the largest investment in modernized locomotives in rail industry history” that would cut fuel usage by 25 percent and emissions by 70 percent.

The UE has touted the benefits of “green locomotive” manufacturing at the Wabtec plant in Erie in partnership with various academic institutes and the office of US Democratic Senator Bob Casey as part of a corporatist scheme to locate additional manufacturing work in the facility. Part of that depends on the ability of the union to suppress workers’ wage demands and provide a “low cost” yet highly skilled workforce.

In a statement following the contract rejection, UE Local 506 President Scott Slawson made no mention of workers’ demands for better living standards, instead touting its green manufacturing initiative. “While the union is working hard to bring new work into the plant and new jobs to Erie through our Green Locomotive Project, the company is refusing to work with us on this project, and is instead holding the community of Erie hostage with the threat of moving work.”

The UE website likewise featured a statement touting green jobs, claiming, “The members of both locals are on strike for a contract that will allow them to move forward with green locomotive production.” The UE

highlighted a union lobbying campaign demanding the US Environmental Protection Agency impose stricter rules on locomotive emissions that it claimed would “create good union jobs.”

Whatever the advantages of more fuel efficient and environmentally sound locomotives, no benefits will flow to workers as long as industry remains in the stranglehold of capitalist private ownership. This is shown by the experience of Erie, Pennsylvania, an area which has suffered a devastating industrial decline over the past several decades. During the 19th century, Erie was an important shipbuilding, railroad and fishing center. Since the early 20th century, GE Transportation had been a major employer in the Erie area, beginning operations in 1910. It founded the Lawrence Park neighborhood in 1911.

However, according to a 2019 report in the *Wall Street Journal*, the city had lost 30 percent of its population since 1960, falling below 100,000, and nearly 27 percent of its population subsists on below-poverty-level incomes. In fact, one zip code in the city is the fourth poorest in the United States. Unemployment is nearly double the national average.

Like many former Midwest industrial centers, drug addiction and drug deaths have skyrocketed over the last two decades. Erie County reported 100 drug-related deaths in 2022, 85 percent related to fentanyl. That number was actually a decrease from some prior years.



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