

Union Pacific railroad lays off 1,300 maintenance of way workers

Leon Gutierrez
12 December 2023

Are you a railroader impacted by layoffs? Tell us about your working conditions by filling out the form below. All submissions will remain anonymous.

Union Pacific is laying off around 1,350 of its maintenance of way employees, reducing its total workforce to almost half of what it was seven years ago, according to a letter to federal regulators written by the Brotherhood of Maintenance of Way Employees Division (BMWED) of the Teamsters union.

The layoffs at Union Pacific, one of six remaining Class I railroads in the United States, are part of a years-long attack on jobs by the railroads, which have become the most profitable industry in the country through massive levels of exploitation. Last year's ban on a national strike passed by Congress with bipartisan support, including "left" Democrats such as Bernie Sanders and Alexandria Ocasio-Cortez, amounted to a blank check to the railroads to continue slashing spending to the bone, endangering both the workforce and the public at large.

A letter from BMWED President Tony Cardwell to Martin Oberman, chairman of the federal Surface Transportation Board dated November 22, says that the planned furloughs will reduce the railroad's maintenance of way workforce to 4,737, compared to 6,078 in September and 8,791 in July of 2015. With these layoffs, the ratio of employees to miles of track will have increased from one worker for each 6.45 miles of tracks in 2016 to one for more than 11 miles of track.

While Union Pacific has claimed that the furloughs are temporary and that the workers affected will return in January, the BMWED said in its letter that in reality the company "has not guaranteed" this. "Moreover, Union Pacific has yet to confirm a work program for 2024."

Management has explicitly told BMWED that the layoffs are purely a financial decision. "Simply put, unforeseen, large-scale service interruptions greatly accelerated our spend through the first three quarters of the year," an email from management stated. "The need to balance the workforce was not readily apparent until very recently, thus leadership made the difficult decision to push a number of projects into 2024."

In a statement announcing its third quarter results on October 19, Union Pacific reported a decrease in net profits and total revenues, bringing an operating income of about \$2.2 billion, a 17 percent decrease, and an overall operating revenue of \$5.9 billion, or a 10 percent decrease compared to the Third Quarter earnings in 2022. However, 2022 was the most profitable year ever for the railroad, in spite of the possibility of a national strike looming until late November.

Union Pacific CEO Jim Vena blamed the results as due to inflation and lower carload volume. "We faced many challenges in the quarter, including continued inflationary pressures and a drop in carloads," he said, adding, "through our day-to-day actions, we will continue to make improvements as we exit the year." In other words, cuts to maintenance and other critical spending.

In its letter, the BMWED requested the Surface Transportation Board to "use [its] authority to continue challenging Union Pacific on this matter." In reality, as the BMWED bureaucracy knows perfectly well, the STB will continue to "use its authority" to allow Union Pacific to do whatever it wants, perhaps covering its tracks with a handful of meaningless public hearings.

The BMWED letter was sent only a few days before the one-year anniversary of Congress' strike ban, passed at the request of the Biden administration. The

strike law imposed a contract that workers themselves had already rejected, which was modeled after a report from a White House-appointed Presidential Emergency Board, and which resolved none of workers' demands, especially dramatic overwork that has pushed tens of thousands out of the industry in only a few years.

It amounted to a declaration that the management can continue to drive the railroads into the ground in order to maximize profits, secure in the knowledge that the government will use its authority to shield them from the consequences, including by ripping up the right to strike.

Job cuts continued almost immediately after the ban was imposed. Three Class I railroads, including Union Pacific, announced pilot programs to implement one-man crews on their trains, a longstanding industry goal which would effectively eliminate the conductor position. Barely a month later, BNSF announced it was outsourcing locomotive maintenance work out of the bargaining unit to third parties, in flagrant violation of the contract. In the spring, the Biden administration slashed railroaders' unemployment and sickness benefits in response to the impending government debt ceiling.

Meanwhile, the deteriorating physical conditions of railroad infrastructure as a result of cost-cutting has resulted in accidents becoming routine, with an average of three derailments every day in the United States. The consequences of this were graphically exposed in the East Palestine, Ohio disaster, where a derailed train carrying toxic chemicals poisoned an entire town. Norfolk Southern was backed from the start by the government, including its decision to conduct a dangerous "controlled burn" in order to reopen the tracks as quickly as possible.

Such disasters continue. Last month, Kentucky declared a state of emergency after a CSX freight train of about 15 cars derailed and two breached railcars caused a chemical spill of sulfur and injured one worker. The derailment impacted over a dozen homes, whose residents CSX claimed they would temporarily house for the cleanup.

The ability of the railroads, with the backing of the government, to act with impunity depends upon the crucial role of the trade union bureaucracy in suppressing all forms of opposition from workers. The strike ban last year was preceded by two months of

delays, in which the bureaucracy sought to buy time for Congress until after the midterm elections to pass the legislation.

But while BMWED President Tony Cardwell goes cap-in-hand to the Surface Transportation Board, he reacted furiously last year to the Railroad Workers Rank-and-File Committee's campaign for an immediate national strike, in accordance with the will of railroad workers. Cardwell denounced the committee as a "fringe group" and threatened legal repercussions against workers who struck without union authorization, something the bureaucracy refused to give.

After the latest round of layoffs at Union Pacific, a maintenance of way worker active in the RWRFC called for unity with workers across the industry in comments to the WSWs: "All class one railroaders need to be prepared for this to spread beyond UP. It's monkey see monkey [do] with the Wall Street capitalist class. It is imperative for them that they steal ever increasing profits every quarter off the backs of the workers."



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact