

# Engineers' contract narrowly passed at CSX, while US railroads push for mergers, deregulation

Bill Mertz, Tom Hall  
26 June 2025

The Brotherhood of Locomotive Engineers and Trainmen (BLET), a division of the Teamsters, announced on June 11 that its members at Class I carrier CSX had narrowly ratified a new five-year national contract. The agreement passed with only 53.6 percent support among those who returned ballots, underscoring widespread opposition to the deal.

The contract provides annual wage increases beginning in 2025 of 4.0 percent, followed by 3.75 percent, 3.5 percent, 3.25 percent, and 3.0 percent through 2029. In total, this amounts to a 17.5 percent raise over five years, even less than the 24 percent imposed by Congress in the widely hated 2022 national agreement. That contract was rejected by rank-and-file workers and only enforced through the combined efforts of the rail unions, the Biden administration and both corporate-controlled parties.

BLET officials have tried to put the best face on the new deal, claiming it represents an 18.77 percent “compounded” wage increase and a 21.4 percent total increase in wages and benefits. But in reality, the agreement amounts to a real wage cut under conditions of continuing inflation, particularly for a workforce that has suffered massive job losses, deteriorating working conditions and longer hours under “Precision Scheduled Railroading (PSR).”

The deal is effectively the same one which the rail unions are attempting to ram through across all six Class I railroads in the US. Having barely avoided an all-out rebellion and national strike three years ago, the union bureaucrats are now forcing workers to vote on dozens of separate bilateral deals—albeit with near-identical language on economics—between each union and each railroad.

Workers in several unions have rejected the proposed contracts, including members of the Brotherhood of Maintenance of Way Employees (BMWED) at CSX and conductors in the SMART-TD union at BNSF and Norfolk Southern.

One of the major proposals for the conductors' agreements is to create a ground-based position which would eventually replace conductors and reduce train crews to a single engineer, a longstanding goal of management. This has provoked massive opposition, but SMART-TD has only doubled down, with one recent video declaring that job losses from automation and other technologies were inevitable and that this was better than no jobs at all.

In response to the rejection of the BMWED contract at CSX, the

union forced workers to vote a second time under threat of an even worse contract. The bureaucrats held online “town hall” meetings in which they berated and intimidated workers opposed to the deal.

Negotiations between CSX and SMART-TD remain deadlocked, primarily over the company's insistence on imposing system-wide seniority, eliminating jobs, and forcing conductors to work farther from home. But in reality, this only means that the union negotiators are searching for some means of getting the concessions they are planning past the membership.

## Proposals floated for new round of rail mergers

The growing unrest among railroaders is taking place amid renewed speculation in financial circles over massive cross-country mergers between the Class I carriers. Reports in *Barron's* and other business publications have floated scenarios in which Union Pacific, the largest carrier in the western US, would merge with either CSX or Norfolk Southern, forming one half of a transcontinental duopoly. The remaining carrier would then likely be absorbed by Warren Buffett's Berkshire Hathaway, which owns BNSF Railway.

Jim Vena, the CEO of Union Pacific, has publicly endorsed such mergers. “I think it's a win for our customers and a win for competition, and it's a win for how the country should move ahead,” Vena told *Trains Magazine* earlier this year. In reality, such mergers would destroy what little competition remains, enable further cost-cutting, and deepen the assault on jobs and safety.

If this is now being discussed openly in the corporate press, it is almost certain that the union bureaucrats have also known about this for some time.

Significantly, no contract talks are ongoing at Union Pacific with the exception of contracts ratified at two small unions. The CSX deal is also the first to be ratified for either engineers or conductors, and talks with Canadian Pacific Kansas City, which merged in 2023 to form a new system spanning from Canada to southern Mexico, are taking place separately.

The evident strategy that emerges from this is that the

bureaucrats are attempting to isolate UP workers from other carriers, and rail crews from ground-based positions.

These corporate ambitions are unfolding under conditions of renewed profit pressure and stagnant rail volumes. According to the Association of American Railroads (AAR), total North American traffic in 2024 was 4.4 percent below pre-pandemic levels in 2019. Although AAR data through late May of this year shows modest year-over-year growth—about 4.8 percent in combined carload and intermodal volume—rail stocks have largely flatlined, driving Wall Street’s desire for consolidation and deregulation.

Behind the drive for mergers is the impact of Precision Scheduled Railroading, pioneered by the late CSX CEO Hunter Harrison and implemented across nearly every major railroad. PSR has slashed tens of thousands of jobs, destroyed rail infrastructure, shuttered yards and maintenance shops, and forced the remaining workforce to work longer hours with fewer safety protections.

Now, after cutting operations to the bone, the carriers see mergers as a means of continuing profitability through monopoly control of the national freight network.

### **US government, both parties, back railroad management**

This has the support of the political establishment. Donald Trump has appointed Patrick J. Fuchs, a former Republican congressional staffer, as chair of the Surface Transportation Board (STB), the federal agency with the authority to approve or reject mergers. David Fink, a longtime rail executive, has been installed as administrator of the Federal Railroad Administration (FRA), the chief regulator of rail safety and operations.

The railroad companies and industry lobbying groups are using these appointments to press for sweeping deregulation. In a press release issued May 6, titled “Railroads Urge USDOT [Department of Transportation] to Embrace Pro-innovation, Performance-based Regulations,” the AAR outlined a four-point agenda, including the repeal of the Biden-era rule requiring a minimum of two crew members on freight trains; the “modernization” track inspection regulations to promote automation; finalizing rule changes to reflect “self-diagnostic” signal equipment; and extending air brake inspection intervals. These measures would eliminate thousands more jobs and significantly erode safety on the railroads.

Far from being held in check by Congress, these demands are being promoted on a bipartisan basis. Two congressional hearings held this month, one on June 18 in the Senate and then on June 24 in the House, focused on the role of automation and technology in “modernizing” the rail network. Representatives from the railroad industry testified in favor of adopting automated track inspections and AI-based risk modeling to further erode jobs, under the pretext of improving safety and efficiency. The House hearing was titled, “America Builds: The Role of Innovation and Technology in Rail Modernization.”

In both hearings, FRA safety regulations were described by industry witnesses and members of Congress as outdated and

“overly prescriptive.” Republican Representative Daniel Webster, chair of the House subcommittee, criticized the FRA for its “lack of flexibility.” Although the hearings also included statements by a representative of SMART-TD expressing concern over safety, there was no discussion of the recent deaths of railroaders on the job or the long-term consequences of crew reduction.

The Democrats, for their part, have also covered for the railroads. The Biden administration imposed no serious consequences on Norfolk Southern for the East Palestine, Ohio derailment and toxic chemical release which poisoned the entire town, and the regulations “mandating” two-man crews contain significant loopholes allowing the government to make exceptions.

The bipartisan push to remove regulatory “obstacles” and enable the railroads to impose one-person crews and eliminate inspections is running up against social opposition. In 2022, tens of thousands of railroaders were prepared to strike in defiance of their own unions and in opposition to the national agreement brokered by the Biden administration. Their struggle was betrayed by the union bureaucracies, which blocked any collective action, to allow Congress to carry out a bipartisan vote to impose the deal.

In the course of this struggle, the Railroad Workers Rank-and-File Committee (RWRFC) was founded to oppose the conspiracy between the unions, the carriers and the capitalist state. The RWRFC issued statements, organized informational pickets and fought to countermand the betrayals of the apparatus. It called for the building of independent rank-and-file committees across all crafts and carriers and appealed for unity with other sections of the working class, including dockworkers, UPS workers, and autoworkers.

The narrow ratification of the CSX contract demonstrates that the conditions which produced this rebellion have not gone away. On the contrary, workers are being confronted with a renewed assault on wages, jobs and safety.

Through Trump, the ruling class has responded by rearming itself politically and preparing new anti-democratic measures to suppress opposition. But the potential power of railroaders remains immense. What is required is a new strategy and new leadership, based on the principle that the working class must organize itself independently in a fight against the entire capitalist system.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**