

With mega-mergers planned, US railroads face all-out attack on jobs and safety

Erik Schreiber
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Railroad workers are being targeted as part of a major corporate offensive against the working class. The rail carriers are threatening workers' jobs, living standards and safety in a broad-ranging attack that will require a response from the rank and file, independent of the sellout union bureaucrats.

Railroad executives have begun merger talks that could reduce the number of US-based Class I carriers from four to two. Union Pacific has hired investment advisers from Morgan Stanley and begun merger talks with Norfolk Southern, according to the *New York Times*.

Union Pacific was the biggest railroad by revenue in 2024, recording \$24.3 billion. It operates 32,693 route miles (52,613 route-km) in 23 states. Norfolk Southern, which recorded revenue of \$12.1 billion in 2024, operates about 19,500 route-miles (31,400 route-km) across 22 states. A merger between the two would connect the East and West Coasts and create the largest Class I railroad in the country. The resulting company would be valued at about \$200 billion, and the deal would be the most significant rail merger in decades.

Days after the talks between Union Pacific and Norfolk Southern were first reported, it emerged that BNSF Railway and CSX had also hired financial advisers with an eye to preparing their own merger. BNSF was second only to Union Pacific in 2024 revenue, recording \$23.35 billion. CSX reported \$14.54 billion in revenue that year. If these two carriers merged, it would create another huge transnational rail network.

Both potential mergers were preceded by the merger of Canadian Pacific and Kansas City Southern in 2023 to form CPKC, which operates a transcontinental rail network stretching from Alberta, Canada to Veracruz, Mexico.

The US Class I railroads already enjoy significant economic power. If the two proposed mergers are successful, it will significantly increase the monopolization

of the industry and leave shippers with fewer options for moving their products, allowing the combined entities to carry out price gouging on an even greater scale than currently. These mergers would entail threats to rail workers as well, since the management of the newly created rail behemoths would seek efficiencies to increase their profits.

The elimination of jobs, especially at a time when the standard of two-man crews is already under threat, would be on the agenda. Moreover, safety- and maintenance-related expenses would be reduced, and safety and maintenance standards would be relaxed. Such measures would put the health and lives of rail workers at risk.

In fact, safety is already under attack. The Association of American Railroads (AAR), a trade group representing the major freight carriers, seeks to reduce the frequency of required visual track inspections from twice per week to twice per month. Railroads are required to remedy newly identified track defects immediately, but the AAR seeks to extend the time they are allowed to three days. In exchange for the loosening of these requirements, the carriers offer to implement automated track inspection technology.

This technology is well established and effective but, naturally, has its limits. Automated track inspection technology identifies track geometry defects more effectively than humans do. But track inspectors look for 17 other types of problems, such as broken rail ties, missing track spikes and obstructions that a train could hit. Automated track inspection technology may not detect some of these problems. Reducing the frequency of visual track inspections by 75 percent, as the carriers propose to do, would sharply increase the risk that these defects are overlooked.

Lengthening the time in which railroads are required to address track defects would increase the risks of accidents and derailments. These incidents would have especially disastrous consequences when the trains are carrying benzene, crude oil, vinyl chloride or other hazardous materials. But the safety of rail workers and the public are of no concern to the carriers, which focus exclusively on their

bottom lines.

The rail unions have been largely silent in the face of these attacks. Behind the scenes, they are cooperating with the railroads. Statements such as the July 14 negotiations update from SMART-TD President Jeremy Ferguson fail to disguise this collaboration.

“This round got off to a good start on the earliest schedule ever, with tentative agreements reached before the opening period required under the Railway Labor Act,” Ferguson wrote. He remained silent about the motive for this abrupt departure from the traditional process, however.

By starting early and negotiating agreements with individual railroads, rather than with the carriers as a group, the unions are trying to avoid the rail worker uprising that occurred in 2022. During that contract struggle, the unions continuously played for time and prevented angry rail workers from striking, urging them to appeal to Congress for help. In the end, Congress imposed a pro-carrier contract that many rail workers had already rejected.

A new, “historic” tentative agreement is already in place for most rail workers, but SMART-TD members “unfortunately” rejected it last year, Ferguson laments. The agreement “provides the largest front-loaded pay increase schedule, totaling a compounded 18.78 percent pay increase ... without third-party intervention,” he adds.

Put another way, the contract is worse than many contracts imposed through government intervention. For example, this “historic” pay increase schedule is even worse than the one that Congress imposed in 2022, which was 24 percent.

Ferguson attributes the fact that an agreement has not yet been reached “to the large misinformation campaign that was waged on social media and on the cabs of our locomotives by another union.” What “social media disinformation” really means is that railroad workers were able to break the information blockade imposed by the union officials by using social media. Many circulated articles in particular from the *World Socialist Web Site*, which has written extensively on the contracts.

Moreover, by criticizing the supposedly antagonistic activities of “another union,” whom he does not name, Ferguson is trying to sow division among rail workers, thus handing the initiative to the carriers. This approach is consistent with the union leaders’ decision to split the workforce into dozens of individual, bilateral contracts between each union and each carrier.

With the exception of two smaller unions, no contracts have been ratified with Union Pacific. Negotiations with this company are not even taking place. These circumstances strongly suggest that the union bureaucrats knew that a potential merger was on the horizon and have sought to hide it from their members. Ferguson and his counterparts are

preparing their strategy for helping the newly merged Union Pacific and Norfolk Southern (should this combination be achieved) to eliminate jobs while presenting the cuts to their members as inevitable.

Rail workers saw an example of this class collaboration in May, when SMART-TD published two videos to promote a crew consist agreement that workers had opposed. In the videos, SMART 1000 Local Chairman Matt Lenz describes the agreement as a “beautiful thing” for members, even though he admits that thousands of jobs would be eliminated in the long run. He predicts the abolition of two-man crews and the subsequent full automation of freight trains.

The alleged silver lining in this jobs bloodbath, according to Lenz, is the creation of the new road utility position (RUP), which essentially converts conductors into workers who perform road-, yard- and vehicle-based tasks. The RUP will be “the last position on the railroad,” and SMART members will have preference when this role is filled, said Lenz.

This is a sales pitch from management, not a speech from someone who defends rail workers’ rights. Moreover, Lenz encourages conductors to see engineers and other workers as their competition for the RUP job, not as class brothers and sisters who will help them fight to keep the jobs they have.

The multisided attack on rail workers requires a deepening of the rank-and-file rebellion that began in 2022. This rebellion intersects with the broader uprising of the working class in every industry. Its recent manifestations include Philadelphia municipal workers’ fight against austerity, postal workers’ fight against the privatization of the US Postal Service and the fight for a living wage by grocery workers and the fight to expose dangerous working conditions by workers in the auto industry and beyond.

These struggles are the basis for a movement uniting rail workers with the rest of the working class. Preventing the realization of this unity is the top aim of the union bureaucracy and management.

Objective events and the unfolding of the class struggle nevertheless point toward the need to unite the working class. Workers must seize the opportunity that the situation presents by forming rank-and-file committees to organize and wage their struggle.



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