



LOCAL 506 SUPPLEMENT

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Friday, June 14, 2013

Totally Unacceptable Company Proposal

After 15 bargaining sessions with the Company about its proposal to transfer 950 union jobs, GE made its first proposal to UE yesterday. In its proposal, GE left no stone unturned and proposed what can only be termed as a “wish list” of attacks against our wage and cost-of-living increases and piecework system. In addition to going after wage increases, GE has demanded that the union agree to mandatory overtime, a new-round of code consolidation, and restrictions on job bidding and movement. GE has also demanded a two-tier “competitive wage,” even though it admits that they will not achieve any cost savings, because no new hiring is expected.

Your negotiating committee – President Scott Duke, Business Agent Wayne Burnett, Chief Plant Steward Mike Hayes, Vice-President Mike Ferrito, and International Rep. Gene Elk - expressed our disappointment with the Company’s proposal in the strongest possible terms. In the two days immediately prior to GE’s proposal, your committee told the Company that it was agreeable to looking at making the plant more efficient, but was not interested in re-opening the contract. It is obvious that the Company has ignored the union’s position.

Making matters even worse, the Company’s wish list of demands doesn’t even come close to saving all of the jobs. Under its proposal, the vast majority of the jobs that GE identified for transfer on April 9 would still be moved to Texas and to vendors and that is simply unacceptable.

We were greatly disturbed to learn that even while meeting yesterday, GE continues to move a substantial amount of off-highway vehicle work out of building 12. Reports from the shop floor indicate that GE is transferring OHV frames to Texas right now. We are also challenging the farmout of wheel and axle machine from 18 truck. According to initial reports yesterday, GE plans to subcontract 1900 parts out of wheel and axle machine which are currently done in house.

During the next few days, the Union bargaining committee will be meeting with the Executive Board to review GE’s proposal and will develop its own response to the Company. Negotiations are scheduled to resume on Monday and throughout next week.

“GE’s proposal to us was totally unacceptable,” UE Local 506 President Duke commented. President Duke added: “It’s not good for us and it’s not good for the community. We are working to save all of the jobs and are deeply disappointed that after two months of bargaining GE still seems intent on moving most of the 950 jobs.”

During Thursday’s bargaining session, UE International Rep. Gene Elk told GE: “You’ve made hundreds of millions of dollars in Erie and have an opportunity to continue making big profits here. We think you (GE) are making a big mistake with this proposal.”

As always, we will continue to keep you updated and informed about the negotiations as they continue next week. A further report on negotiations will be given by President Scott Duke during the membership meeting next week on Thursday, June 20.