Wabtec Proposals Threaten Profitability of Erie Locomotive Plant

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Wabtec, which is taking over the operations of GE Transportation on Monday, is insisting on massive concessions from the largest union in the division, which could affect operations at the division’s most profitable plant in Erie, PA.

“Under the current agreement with GE, UE members run a highly profitable plant, and are rewarded with good jobs and the freedom to spend time with their families and contribute to their community,” says UE Local 506 President Scott Slawson. “If Wabtec insists on imposing mandatory overtime, a lower wage scale for new hires, and bringing in temporary workers, they will be destroying a proven effective and profitable model that made General Electric the most successful locomotive builder in the world.”

GE Transportation has consistently earned profits of over 16 percent for the last five years, driven by the skilled work done by UE members at the flagship plant in Erie.

“We are eager to work with Wabtec to ensure that this plant remains highly profitable,” said Slawson. “But if we can’t reach agreement, the membership will decide the next step.” The union has made arrangements to take a strike authorization vote on Saturday, if necessary, in case an agreement is not reached before then.

UE has received pledges of solidarity from unions in Canada, Great Britain, France, Italy, Brazil and Turkey, as well as from the co-coordinator of GE’s European Works Council and IndustriALL, a global union federation representing 50 million workers worldwide. With its 2016 acquisition of the European company Faiveley Transport, Wabtec has to bargain with strong European unions, many of whom have a tradition of using their leverage to influence company behavior in countries with weaker labor standards, such as the U.S.