

LOCAL 506 UNION NEW S

Volume 68, Issue 8 Monday, August 14, 2017

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Locomotive Transfer of Work

By B.A. Mike Ferritto

This week we entered into decision bargaining with GE in an effort to preserve 572 jobs GE intends to transfer to its non-union facility in Fort Worth, Texas. We did this with a clear mind and with much apprehension. In all likelihood we cannot change the outcome of GE's decision to abandon Erie.

We also do this on the heels of an economic impact study conducted by Parker Philips, an Erie firm specializing in these studies, showing the catastrophic economic loss of **1,687 total jobs transfers** from Pennsylvania, if the 572 goes through. The total transfer of work since 2013 will result in a \$2.7 billion in total economic output loss to Pennsylvania, with \$1.6 billion lost in the Erie County economy. The job loss will nearly double across the commonwealth with **8,124 jobs** affected across multiple areas of the economy.

With this in mind, we must do our best for our community so now we enter into decision bargaining with GE for the fourth time in as many years. We do it with our eyes open and with history on our mind.

In May 2016, GE issued a transfer notice of 181 production and non-production jobs. We again sat down with the company to preserve jobs in Erie. We again went through another unsuccessful decision bargaining session. It was during those 60 days that the company asserted they had already completed a transfer of International EVO production in 2013. That claim generated an NLRB charge in which the Union was successful in proving the company's claims untrue. After the 60 days, the Union felt that we had made progress around proposed improvements that would benefit Erie's efficiency and preserve some jobs. We requested the company continue those discussions outside of the 60 day window.

Amendments To The Constitution Article XIV

Any proposed changes to the 506 Constitution must be submitted in writing by the end of the September's membership meeting to be discussed and voted on in November.

Article XIV, Section 2 States that proposals submitted in writing by the end of the September meetings will be discussed and voted on it November. (Proposals can be submitted to the Local Recording Secretary)

Section 2a: The Article and Section of the Constitution sought to be changed must be clearly stated.

Section 3: A proposed amendment for the November meeting will be published in the October and November UE 506 official publications.

Section 4: The Executive board shall make a recommendation on the proposed amendments to the membership at the November Membership meeting.

August Membership Meeting Notice

Agenda:

- Financial Report
- **9** Officers Report
- Committee Reports and General Rusiness

Membership Meetings & Times Thursday, August 17, 2017

(All meetings)

7:20 a.m. (Officers reports only)
12:30 p.m. (2nd Shift)
3:20 p.m. (1st Shift)
No Food Will Be Served At Meetings

As a product of those discussions, the job preservation agreement was signed. That agreement has dramatically improved our efficiencies and has reduced cost in several areas of the plant.

This brings us to the latest round of proposed transfers. They include International EVO & kits, FDL & kits, Shaft line, DC Coils, Maintenance, miscellaneous engineering labs and test. This transfer notice encompasses all locomotive production remaining in the Erie facility. This will leave us with design, engineering, prototype development and the production of OHV and drill propulsion components, grid blowers, alternators, small parts and control remanufacturing.

Now, here's a look at how we got to this point.

- *\$* 2011 we sign the contract
- 2012 GE announces move to Chicago which has not shown great returns in the way of locomotive sales.
- 2013 GE transfers domestic EVO production to Fort Worth. They invested over \$250 million in an unproven facility and workforce. GE predicted there would be a locomotive supercycle that never materialized.
- 2014, GE issues Axle machining transfer and rejects the Unions cost savings proposal.
- 2016, domestic locomotive orders are almost nonexistent. The company issues 181 job transfers and asserts that they have already transferred International EVO while bargaining. A term never used prior to that day.
- The union files NLRB charges for illegally transferring two locomotives.
- GE tells Erie that we are in a death spiral due to the operating

- cost not being flushed by volume. The cost pressure in Transportation is mounting. In addition to GE's CEO being pressured to improve stock performance by the Trian group at all cost. The Union and the Company sign a productivity agreement.
- Erie's efficiencies improving dramatically, almost double that of Fort Worth. The company announces efforts to save \$2.6 billion throughout the entire business.
- The NLRB determines that GE has misrepresented the facts. The NLRB requires the company to return the two locomotives they put in Fort Worth's schedule back to Erie.
- The job preservation productivity teams identify around 400 parts that can be done in the facility for less than what they are paying outside. GE states that they must pull back on productivity projects due to white collar cutbacks. The Union requests the company considers pulling all production back into the Erie facility to reduce cost and consider diversifying its product lines to weather the new industry cycles. The company indicates

- all options are on the table.
- GE issues a transfer for all locomotive production pulling more volume, putting Erie in a complete death spiral.

We must seriously consider the events that have occurred. Employees from the Erie site cannot be blamed for GE's decisions. We have always delivered on our commitment to the customers. We have always lived within the confines of the contract. We have always delivered the highest quality locomotives in the world. We have always achieved the safest work environment. Erie is and forever will be the greatest locomotive production facility in the world as a result of your hard work.

As we move forward I ask you to keep in mind the blood, sweat and lives that have been sacrificed to achieve what Erie has. We have done everything in our power to give the company a choice but not at the detriment of one another. Let's not forget who we are because the company says otherwise. We are strong, resilient, loyal, hardworking, principled people. Because of this we will proceed with negotiations committed to our members, families and our community.

Safety Coordinator Elections

As per the Safety Coordinator Program Guidelines, nomination forms to run for a Safety Coordinator position, will be posted for a minimum of 3 days:

NOMINATION FORMS WILL BE POSTED SEPTEMBER 5, 2017

START DATE: Tuesday, September 5, 2017 - Start of 2nd shift

END DATE: Friday, September 8, 2017 - End of 1st shift

The Coordinator position does <u>NOT</u> retain the right for deferment in the event of a lay off. Nomination forms will be posted in common areas. If you are unable to locate nomination forms, please see your Chief Steward or Safety Coordinator.

Brothers and sisters, as I sit here writing this I'm left to ponder many things. At the end of July we were issued yet another transfer of work. This time it was for all locomotive production! The company's claim as usual was "it was being done in an effort to remain competitive". Transportation is the second most profitable division owned by General Electric. This has absolutely nothing to do with competitiveness only profitability. People will say it's the Union's fault because they are greedy and are picking on the mega-corporation known as GE. I would remind these individuals that our fellow blue-collar workers to the South in Grove City and Fort Worth are experiencing many of the same things we are, and they do not fall under our National Agreement. The workers at the Erie plant have been working extremely hard to boost efficiency, quality, safety and delivery, only to get the usual impression it was all for nothing. We are unmatched in those categories and it still doesn't matter to those on high.

If this was truly about reducing base cost to be competitive then why is the business not looking harder at reducing unnecessary expenses? The Chicago high rise has done little to change the outcome of the very division we helped build, and remains an enormous cost to the business, yet it's an expense we continue to pay for because no one there wants to be in Erie. You can't remain disconnected if you work where you sleep I guess.

Our own elected representatives in many cases have turned against us. They will tell you things like paycheck protection and rightto-work are good for you. These are simply the terms used by politicians to engage people in conversations against the collective bargaining power of the working class, a way to keep the money in the hands of the haves and out of the hands of the have-nots. This is just another method of controlling the masses so to say. Right to work laws were born out of slavery and have absolutely nothing to do with your right to work. Every man and woman in this country has the right to work. They would lead you to believe the only way you can work is if you join a Union and pay enormous fees to that Union. We know this to not be true.

I would ask those politicians one simple question. What do you think our government is? It is in fact a Union. It was formed to be a more perfect Union, as stated in our Declaration of Independence, but many have lost sight of that. Our tax dollars are our Union dues. Our elected officials are our Representatives that have been failing to represent the best interest of the Working Class People. Do we have the option of not paying for that representation? The representation on many fronts that's protecting the interests of corporations instead of all the constituents it was elected to represent? I think not. If you don't pay your dues to that Union you end up in jail. Their constant attack on Unions and all working-class people are an attack on the very foundation and beliefs our government was based on.

People in the community will also attack us and call us greedy. I asked those individuals who they voted for in the last election and why? Many of them will tell you they voted for a particular person because of the promise of good family-sustaining jobs and improving the economy. Why it is then they attack others in their community

that are losing good familysustaining jobs and in fact do improve the economy by insisting that they are greedy. I



would also ask why no one ever seems to attack the greedy CEO's and executives of the corporations that earn millions upon millions of dollars each year. Why, are they not considered greedy? Ask simply, how many cars, houses, boats and jets can one person own?

The inequality in wealth distribution is widening greatly and nobody seems to care except Unions. We continue to fight for fairness for all, not just our members. If you are not in the top 1% you will be left behind, that is the mentality. Over the last several decades companies have stripped their Working Class People of all the benefits that have been gained through collective bargaining. We have seen the degradation of pensions, health care and wages on an epic scale. They will lead you to believe that pensions are not in your best interest. You should be managing your own money through the stock market. Healthcare is your problem and you make too much money. Healthcare is a basic human right, not all of us are financial experts. Those living in the ivory tower make too much money! Just in case those above haven't been paying attention, we are not getting rich we are just earning a living so you have nothing to fear.

A contract used to mean several years of peace, now it's just a piece of paper the company wants to continue to change at will. In 80 years of bargaining the Union has

Continued on Page 4

never asked the company for more than the contract affords just because they had a record year. Why does the company continue to want to rewrite the agreement every year?

This latest transfer of work announcement was dubbed the "End of an Era!" For many decades, the community of Erie and the highly skilled manufacturing workforce it developed over many generations, has built the world's best locomotives and given General Electric market share in that business. With this latest announcement the company has forced every man and woman working in the Erie facility to the edge of a cliff. We have two choices fall backwards off the cliff to our own demise or march forward and fight as we always have. This is not just a union fight this time. This is a fight that needs to include all! This is the fight for the survival of Transportation in Erie as we know it. Many of you have dedicated your lives, your blood, your sweat and tears to make the Erie plant the success it once was. Those in the Ivory Tower have lost sight of that. They choose to make decisions about the thousands of families in this area they remain disconnected from. This is the moment when we must stand together and face the evil that comes our way. It is the moment that will define the Erie locomotive facility. It is the moment that we must remember the 80 years of collective bargaining that came before us and the sacrifices that were made.

We remind everybody once again this has nothing to do with competitiveness only profitability. We enter into this fight apprehensive. The company has shown manipulation more than once in this process. The decision bargaining process as we know it today is far different from the reason it was created. Its original intent was to bring the Union and the Company to the table in an effort to figure out how to reduce cost without reopening the contract. It was never intended to be an all-out attack on wages and benefits as was evident last year when the company was offering wages less than they were paying in the 3 year old Fort Worth facility for our recalls and new hires. Since the inception of TOW language in the National Agreement, Unions have only managed to save a handful of jobs for a short period of time. One can only hope the outcome is much different this time around.

It is time for everyone to stay united and prepare for battle. Yesterday the devil whispered in our ear, "You're not strong enough to withstand the storm." Today we whispered in the devils ear, "We are the storm!" Stay United, Stay Strong!

Chief Plant Steward's Report

By Leo Grzegorzewski

On Tuesday, August 1st, we had a Stewards Council meeting at the hall. The purpose of that meeting was to listen to the department Stewards. We needed to hear their views first and most importantly the opinions of those they represent. We stressed now more than ever, they need to get involved with the people they represent. They need to listen to their members, get their opinions and ideas so they can pass it on



to their Chief Stewards and then the hall. We need your feedback! As we move forward through these difficult times it will be the membership that determines the path we take! That's how this union works. We are Rank and File, a bottom up run union. I do not know if the company understands exactly what that means. They will find out soon. It is our responsibility to carry out what our members direct us to do, and we will. Secondly, we had them here to explain our options moving forward and the time line to accomplish what needs to be done.

To put it mildly, the decision to transfer more work out of Erie is very disappointing. The announcement generated great anger throughout this membership and rightly so. The company conveyed to this union the importance of improving our numbers on time-on-product, efficiencies, quality, on-time-delivery and safety to keep the Erie plant in a position to be "competitive". Those goals were not only meet, but surpassed by our members. Through the hard work of productivity teams, union and management found ways to position Erie to be competitive now and in the future. This membership was let down. Local management was let down. The community was let down. All by the decision to transfer work out of Erie.

This decision we were told was made by one person at the Erie site and others based in Chicago. We were also told Chicago made the call to have police at the gates when the company made the announcement of intent to transfer work. Our families and the community had to watch local news stations show local police and state police cars parked outside the gates. We had to explain to our children why they were there. Why?? That was embarrassing and totally uncalled for. This proves how disconnected the folks in Chicago are form Erie. They think we are animals. They only need to look in the mirror to see who the real animals are.

On August 1st, the union filed nine grievances that were heard at an emergency Step II meeting on August 7th, and will be processed through Step III shortly. They included International EVO & kits, FDL & kits, Shaft Line, DC Coils, Maintenance, Miscellaneous Engineering Labs & Test, Spirit and intent of the NLRB settlement (International Evolution series locomotive), changes made by the Medical department without bargaining with the union and the Transfer of Work notice itself. We filed three grievances on August 4th. They will be expedited to Step II and Step III if not resolved as soon as possible.



Governor Tom Wolf, U.S. Senator Bob Casey and County Executive Kathy Dahlkemper attended meetings to discuss the company's proposed transfer of work. Our elected officials reviewed the Union's economic impact study and discussed the decision bargaining process. Support for UE 506 members was offered by each Official at all levels of the government. The meetings took place on Tuesday, August 8TH and Wednesday, August 9Th, 2017.



CBC Lawsuit Against GE on Retiree Healthcare

On July 31, a Federal judge in Youngstown, Ohio (after holding the case for almost 16 months) granted GE's motion to dismiss the suit brought by all the GE Unions on behalf of current retirees. As you may recall, late in 2015, GE announced that it was eliminating its post-65 retiree health care plans. In 2016 they started to offer current retirees the opportunity to buy supplemental Medicare coverage made available through a private exchange with some financial assistance from the company.

UE, our attorneys, and the other CBC Unions are evaluating the judge's decision and will determine whether or not to file an appeal.



Monday, September 4th ☆ 10:00 AM • Line-up at 9:30
Parade Route: 11th & State to Perry Square

Fun for the entire family parade features include Honor Guard, High School Marching Bands, Clowns, Labor Unions, Floats, Public Safety and Construction Vehicles and more. Vendors List will be publicized of those who will be set-up in or near Perry Square. Parade will be video graphed and televised on CATV Channel 2.

If you are planning on attending please see your Chief Steward and sign up with your T-Shirt Size

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1	2
3	4 Labor <u>***</u> <u>**** Day</u> Labor Day Parade	5	6	7	8	9
10	11	12	13 618 MEMBERSHIP MEETING RAGE MEMBERSHIP MEETING	14	15	16
17	18	19 506 EXECUTIVE BOARD MEETING	20	21 506 MEMBERSHIP MEETINGS	22 RAGE BOARD MEETING	23
24	25	26	27	28	29	30

Important Medical Plan Numbers and Web sites

<u>WageWorks</u> (HRA/FSA/DCFSA/LPFSA)

Wageworks.com/ge

1-888-303-3006
GE Benefits Center
OneHR.ge.com
1-800-252-5259
Dental Care
Metlife.com/dental
GE Dental Benefits Claim Center
1-888-529-8474
Vision Care
davisvision.com
GE Vision Care Benefits Center
1-800-433-9375
Disability Benefits Center
1-800-392-0789

HAVING A BENEFITS ISSUE? Call Mark Kresse at 875-6620 Or Tom Smith at 875-6873

HAVING A PERSONAL PROBLEM? Call Keith Eller at 875-4EAP (Ext. 4327)

Alcoholics Anonymous Meetings

Concerned about your sobriety? Alcoholics Anonymous (AA) may be the answer... Did you know that GET offers onsite meetings?

When: Every Thursday
3:00am (3rd shift)
12:00 noon (1st shift)
7:30pm (2nd shift)
Where: Building 6, Rm. 150,

Conference Room

ONE DAY AT A TIME

*AA IS NOT SOMETHING YOU JOIN, IT'S A WAY OF LIFE *SOBRIETY IS A JOURNEY ... NOT A DESTINATION