



LOCAL 506 SUPPLEMENT

Tuesday, April 23, 2013

Work Transfer Talks Begin

Erie, Pa — Yesterday, talks began between UE Local 506 and GE Transportation to discuss the company's preliminary decision to transfer and/or subcontract 950 Erie jobs to Ft. Worth and to vendors. At the beginning of the meeting, the union told GE that our goal is to retain all 950 jobs in Erie and asked GE to enter these negotiations with that same goal.

Prior to yesterday's meeting, UE Local 506 had submitted a detailed 3-page information request which asked the company to provide, among other items, cost comparisons for performing the work here in Erie or in Fort Worth and with vendors. Much of yesterday's meeting was spent discussing the exchange of information and a review of some information which the company brought to the talks.

In addition to discussion on whether and in what form GE would produce the required information, the Company also requested a *Confidentiality Agreement* under which it sought assurances that "sensitive cost information" did not become public or fall into the hands of other locomotive or OHV manufacturers. The union told the company that our National Agreement requires us to keep such cost information confidential and we did not see why a separate agreement was necessary. The union did agree to review the company's proposal.

Additional talks are scheduled to resume later this week. President Scott Dukes, Business Agent Wayne Burnett, Chief Steward Mike Hayes, Vice-President Mike Feritto, and UE International Representative Gene Elk attended the talks and represented UE Local 506.

Big 1st Quarter GE Profits

Fairfield, Ct — On Friday April 19, GE announced that its 1st quarter 2013 its overall operating earnings were \$4.1 billion, up 14% from the first quarter of 2012. In its press release, the company specifically identified GE Transportation as one of the divisions which is experiencing "solid growth."

According to GE's *Summary of Operating Segments*, the transportation division's profits for the 1st quarter of 2013 were \$257 million, up 15% from the first quarter of 2012. The Erie GE Works employs the vast majority of transportation division workers and manufactures most of its products. Some GE divisions - notably Power and Water, and Oil and Gas - experienced substantially lower profits when compared to 2012.

Local 506 President Duke said: "We earn fair wages and benefits here in Erie and we're not ashamed of our union pay-checks. The company makes big profits, and we earn decent wages — what company wouldn't want that?" He added, "we're willing to talk with the company and listen to their ideas to improve the production process here in Erie, but we also understand that GE makes big profits from our labor here in Erie."