How Wabtec's Contract Proposals Will Affect *All* Erie Workers

In its communications to Erie Workers, Wabtec has given a one-sided presentation that doesn't give a full explanation of how their contract proposals will negatively affect ***all*** Erie workers over a four-year contract. Here are some of the company's proposals and how they will negatively affect ***all*** Erie workers:

- **Two-Tier Wages –** The company's proposal will slash the average wage by $12.16 per hour, saving the company more than $51 million over a four-year contract. The company has not given the Union an economic justification for this huge wage reduction outside of its ongoing threats. **Current Erie workers, who are laid off and exhaust their recall rights, and are rehired by the company, will be hired at the two-tier wage rates.**

- **Job Classifications –** The company's proposal consolidates the current 33 job codes down to 21 new job classifications, endangering the safety of Erie workers. The company's proposal will also cause current Erie workers in ten job codes to lose pay if they move for any reason after the first year.

- **Management Rights –** The company will be able to do just about anything it wants, without negotiating with the union, including "the unqualified right to establish and enforce minimum standards of production and quality for all operations and job functions in the Erie Plant. **In the event an employee's production or quality is below such standard, the Company reserves the right to transfer or discharge the employee and replace such employee with some other employee who can maintain minimum standard production."**

- **Subcontracting –** The company shall have the unlimited right to subcontract…any work at the Erie Plant that has previously been performed by subcontractors." In other words, the company will be able to subcontract everything and not bargain with the Union over its decision.

- **Temporary Workers –** The company "will have the unqualified right to utilize temporary workers to perform production and maintenance work during the term of this Agreement provided there are no qualified bargaining unit employees on layoff and the temporary workers do not exceed ten percent (10%) of the bargaining unit workforce." Why will the company want to hire new employees if it can use temporary workers?

- **Layoff and Recall –** The company's proposal will greatly limit seniority rights for bumping and recall purposes. Recall rights are also capped at three (3) years for employees with more than twenty years of service; two (2) years for employees with ten or more years of service; and one (1) year for employees with less than ten years of service.

- **Job Vacancies –** Seniority will be the last determining factor taken into consideration for job bidding. In other words, the company will be able to pick who they want for job vacancies.

- **Hours of Work –** The company's proposal would permit the company to implement continuous operations schedules, including (12) hour shifts, on any manufacturing, maintenance or warehousing operations.

- **Vacations –** Vacation eligibility is capped at five (5) weeks, except for employees who currently have six (6) weeks.
- **Personal Illness Pay –** Employees will only be eligible for twenty-four (24) hours of personal illness pay per calendar year, which may not be carried over from year to year. Any personal illness pay not used in the calendar year will be forfeited. Employees are expected to give 24 hours' notice prior to utilizing personal illness pay and the company reserves the right to require medical documentation.
- **Income Extension Aid (IEA) –** The company rejected the Union's proposal for IEA and has not proposed one-year of protected benefits. Laid-off employees will lose their health insurance benefits at the end of the month that they are laid off unless they pay the total costs of their health insurance benefits.
- **Severance Benefits –** The company's proposal will greatly reduce the amount of severance benefits available for Erie workers in the event of a plant closing. The company's proposal will limit the amount of benefits to one week for each year of completed service with the company, up to a maximum payment of twenty (20) weeks of severance allowance.
- **Medical Leave –** The company's proposal will require employees to use their paid illness days and any accrued vacation for approved FMLA leaves of absence for any reason other than their own occupational or non-occupational illness or injury. In other words, if you have to take off to care for a sick family member, you will have to use your paid illness days and vacation time.
- **Grievance and Arbitration Procedure –** The company's proposal is a greatly weakened procedure that undermines Erie workers' protections and rights. The company is under no obligation to settle grievances and could force every grievance to costly arbitration, which they know the union will not be able to afford. The company's proposal will also not permit the right to strike after exhausting the third step of the grievance procedure.
- **Union Representatives –** The company's proposal will undermine the union's organizational strength on the shop floor and limit the stewards' ability to represent the members.
- **Safety –** The company is proposing to eliminate elected safety coordinators and replace them with bid positions, compromising the hugely successful safety program.

The Union has proposed a new highly competitive wage proposal which could save the company more than $130 million in reduced labor costs over the four-year contract while protecting current Erie workers' wages and jobs. The Union's proposal will also give new hires a path to the legacy wage rates. The proposal also includes job guarantees that the company must recall all laid-off GET employees in order of their seniority and create 400 new additional jobs over the four-year contract.