

# Labor's Peace Paradox

## The Impact of the Right to Strike on the Grievance Process

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**I ILLINOIS**

School of Labor &  
Employment Relations  
Project for Middle Class Renewal

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# EXECUTIVE SUMMARY

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For most unions in the United States, ‘no strike’ collective bargaining clauses are the most visible manifestation of the twentieth-century industrial relations commitment to maintaining ‘labor peace.’ Unions and employers agree to a detailed contractual grievance and arbitration process in exchange for workers waiving a right to strike and assurances from management to address worker grievances and abide by a formal protocol. The near universal adoption of ‘no strike’ contract language is a tripartite tradeoff between unions, companies, and the state which affords unions a form of workplace due process while insuring employers against lapses in the flow of profit due to industrial unrest.

Contrary to common practice, however, the workers employed at Wabtec in Erie, Pennsylvania, and represented by United Electrical Workers (UE) Local 506 had functioned for many years with a contractual *right to strike* over specific workplace issues<sup>1</sup>. This was an exceptional departure from the post-World War II national norm. But in 2019 when Wabtec purchased a locomotive plant in Erie from General Electric (GE), the right to strike over grievances was dropped from the labor agreement.

The focus of this report is on the removal of the right to strike over grievances in June 2019. Using more than 2,000 cases from 2015 to 2023 and interviews with former UE members, we examined how the loss of a right to strike over day-to-day workplace issues impacted the dispute resolution process.

Based on a comparison of the strike-threat period (2015-2019) to the strike-waiver period (2019-2023), our findings indicate that the loss of the strike threat is associated with a deterioration of the grievance process.

## Key Findings

- Grievances per worker from 2019 to 2023 have increased.
- Grievances from 2019 to 2023 are less likely to reach closure.
- Grievances from 2019 to 2023 are more likely to reach the advanced stages of the grievance process.
- Between 8 percent and 32 percent of grievances have been routinely denied since June 2019, compared to zero between 2015-2019.
- Grievances are now more than twice as likely to be rejected by the employer than before 2019.
- Nearly half of all grievances post-2019 are attributable to time and attendance, union recognition, temporary transfers, and layoffs and recalls.
- The duration of grievance cases since 2019 has increased.

Since 2019, the new precedent of frequent grievance denials runs the risk of encouraging cynical attitudes among the workforce toward the dispute resolution process. It more broadly threatens to erode the ability of workers and managers to jointly solve workplace disputes. The grievance process - as labor law, decades of National Labor Relations Board decisions, and court precedents have historically intended - is a legally-sanctioned alternative to industrial strife. But if it is viewed or used as a management tool more suited to stonewalling labor disputes than to solving them, the grievance process risks becoming a contributor to dysfunctional labor relations. Under these conditions, more confrontational labor-management engagements become more likely. Contrarily, GE’s agreement to accept the right to strike over grievances might have - until 2019 - protected the procedural integrity of more formalized and less hostile alternatives to striking.

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## ABOUT THE AUTHORS

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Bruno is the co-author and presenter of a labor play, "Illinois Labor Works," and is a recipient of an Illinois Humanities Council grant. He is co-editor of *Labor Studies Journal*. He has taught numerous industrial relation courses to trade union members working in public, private, and professional occupations. Bruno hosts a cable show called *Illinois Labor Works* on a Chicago Public Access channel and is a frequent commentator on labor relations for both regional and national media. He is a member of the University Association of Labor Educators, the Labor and Employment Relations Association (LERA), as well as an executive board member of the Chicago Chapter of LERA, and is co-chair of the Chicago Consortium for Working Class Studies.

## ABOUT THE PROJECT FOR MIDDLE CLASS RENEWAL

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The Project for Middle Class Renewal's mission is to investigate the working conditions of workers in today's economy and elevate public discourse on issues affecting workers with research, analysis and education in order to develop and propose public policies that will reduce poverty, provide forms of representation to all workers, prevent gender, race, and LGBTQ+ discrimination, create more stable forms of employment, and promote middle-class paying jobs. Each year, the Project publishes critical research studies and holds education forums on contemporary public policies and practices impacting labor and workplace issues. If you would like to partner with the Labor Education Program in supporting the work of the Project or have questions about the Project please contact Robert Bruno, Director of the Labor Education Program, at (312) 996-2491.

# INTRODUCTION

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Labor agreements have customarily included provisions for rationally resolving workplace disputes without necessitating a work stoppage. In exchange for management submitting to a formal grievance and third-party arbitration process, labor unions have agreed to comply with “no strike” contractual language. Workers get a measure of “industrial democracy,” and employers keep the wheels of capitalism rolling. Even where strikes are legally prohibited, collective bargaining agreements regularly include a form of dispute resolution. The trade-off - compliance with workplace due process for an assurance that production will not be interrupted - has been generally accepted as beneficial by most employers and most unions. But is the conventional wisdom warranted?

In May 2023, United Electrical Workers (UE) Local 506 and Wabtec - based in Erie, Pennsylvania - began to negotiate their second collective bargaining agreement. Wabtec is a company that since January 2019 has been the owner of the locomotive manufacturing facility that employs the members of Local 506. One of Local 506’s goals is to regain the right to strike over grievances, a provision that had existed for more than eighty years until it was bargained out of the contract in Local 506’s first negotiations with Wabtec in June 2019<sup>2</sup>. Local 506’s current collective bargaining agreement with Wabtec defines a ‘grievance’ as “any dispute over the interpretation or application of a specific provision of [the contract] or any dispute over the discipline or discharge of a bargaining unit employee.”<sup>3</sup>

Losing this right brought workers at the Erie plant one step closer to the national norm among unions – no-strike clauses which confine employees’ right to strike to when contracts expire. But workers and labor leaders at the Erie plant and at UE locals elsewhere argue from historical experience that the right to strike - whether over grievances or writ large - has implications that reach far beyond regulating the frequency and length of strikes. Rather, they argue, the right to strike is necessary to regulate *the relationship between labor and management*.<sup>4</sup> This report is an effort to illustrate this relationship empirically by using outcomes in the Erie plant’s grievance process to quantify changes in the employment relationship since the right to strike over grievances was eliminated in the June 2019 Wabtec contract.

The loss of the right to strike over grievances in June 2019 roughly marks the midpoint of the eight-year period over which these changes occur. The data examined in the following sections supports our broader conclusion that the right to strike over grievances played a role in sustaining employee trust in the grievance process by allowing for the use of industrial action as an incentive for management to solve workplace disputes fairly and efficiently. A significant growth in denials, in concert with an increase in grievances per capita (especially during 2020) and a general lengthening of the grievance process, has eroded employee trust in the grievance process by creating the impression of a procedure with outcomes that are increasingly biased in favor of management.

The following sections provide historical context to make sense of the plant and the local’s current juncture, an introduction to this report’s chosen methods of data collection and analysis, a description of key findings extrapolated from grievance filing archives, and recommended directions for further investigation. Historical context is provided by two individuals who were interviewed by phone and by Zoom over the course of March and April of 2023. The more than two thousand grievance filings themselves have been provided as both Google Sheet documents and (for filings dating from 2019 onward) PDF files by UE Local 506, courtesy of chief plant steward Leo Grzegorzewski<sup>5</sup>.

# HISTORICAL CONTEXT

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The set of grievances examined here - those filed from January 2015 to February 2023 - coincides with a period over which the number of employees at the Erie plant has been in significant decline. For the company as a whole, this decline was decades in the making, with GE's number of union-represented employees declining from roughly 140,000 in 1973 to about 20,000 by the mid-2000s.<sup>6</sup> The Erie facility's workforce has been shrinking for the past eight years, beginning with a drop from nearly 3,500 employees in 2013 to just over 1,500 in 2016. Contracting out and job cuts by other means have continued after the 2019 change in ownership. This shift was presaged by the building of the GE plant in Fort Worth, Texas in the 2000s, whereupon the company's attitude toward UE Local 506 became more combative.

Despite the decline in Local 506's numbers, nearby UE Local 618 experienced a far more dramatic decline from thousands of members to its current handful of fewer than ten.<sup>7</sup> Despite a general shrinking of the workforce over this eight-year span, we do not see a parallel decrease in grievance filings over those years. While filings decreased from 2015 to 2018 (in line with mass layoffs), this number *increased* in 2019 when the right to strike over grievances was abolished, followed by a sharp increase in 2020 and a quick decline to the still-elevated levels seen in 2019.

In a country where no-strike clauses are commonplace for the vast majority of unions, the fact that UE had maintained a right to strike over grievances in its national contract with GE at all is remarkable. Not only has Local 506 considered this right a matter of necessity, but General Electric tended to consider it a matter of efficiency. Thus, Wabtec's effort to eliminate the provision is a significant departure from established practice. For much of the twentieth century following the Erie plant's likely unionization in 1937, GE and UE maintained a fairly sophisticated - although contentious - relationship.<sup>8</sup> On the one hand, Congress of Industrial Organizations (CIO) unions before the 1950s generally *preferred* provisions protecting the right to strike and to undertake other industrial action over those that protected the right to arbitrate workplace issues. On the other, GE managed to benefit from how the strike provision streamlined the grievance process given that its approach to strikes differed from that of other companies.<sup>9</sup>

The wage and price controls of World War II, followed by anti-communist repression and the Taft-Hartley and Landrum-Griffin Acts, raised the stakes of labor disputes across the United States.<sup>10</sup> Increased strike activity invited a push by policymakers and judiciaries to use arbitration and mediation to replace industrial action as a means to resolve labor disputes. The 1950s marked an enhanced hostility toward UE from both the AFL-CIO, which created the International Union of Electrical Workers (IUE) as an anti-communist rival to UE, and GE, which developed the 'Boulwarist' approach to labor relations in response to a national strike by UE and other unions in 1946. This strategic shift meant that the company would offer final terms during bargaining without further negotiation, leaving strike action as labor's only means of disagreement.<sup>11</sup>

While other companies tended to prefer arbitration as a means of diverting workplace discontent toward legal processes rather than organized activity, GE considered universal arbitration a threat to its ability to make unilateral decisions. This preference for corporate decision-making without outside input, combined with UE's philosophy that unions' ability to advocate for their members and communities rests upon their real ability to interrupt the flow of profit, led to *a shared preference for a right to strike over grievances*



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as opposed to the right to arbitrate over them (although an abridged form of the latter still exists at the Erie plant).<sup>12</sup>

In response to what they considered a company gone rogue, about a dozen of GE's unions formed a coordinated bargaining committee - this strategy culminated in a national strike in 1969 that lasted for more than 100 days. The strike's end in 1970 marked GE's pivot from Boulwarism to a softer bargaining approach. Strikes became less common at GE from that point onward in part due to a somewhat more conciliatory relationship with its unions, but also due to a long-term reduction in the number of unionized GE employees. Nonetheless, managers and labor leaders continued to make strategic decisions on the bases of both market shifts and historically established expectations. For instance, the Erie plant has long manufactured locomotives but also included other supply chain functions such as foundries. Selloffs and out-contracting of such functions have proven some of the biggest flashpoints in GE-UE relations.

While the company considered such decisions necessary to sell and buy assets free from Erie's historical precedents and antagonisms, Local 506 hoped to avoid the kind of mass job losses that befell workers across the manufacturing sector, including for nearby Local 618. At the same time, GE compensated for its cost disadvantage relative to companies like General Motors with company wages that were lower than those in the automotive sector and a technological and cost advantage provided in part by the vertically integrated Erie plant, which served as a major supply chain hub. By combining a range of company functions, it also acted as a microcosm of the firm as a whole, providing a "proving ground" for future executives and labor relations officials. By outcompeting rivals in the locomotive sector and selling off other functions over decades, the Erie facility gained further strategic importance as it became a hub for locomotive manufacturing.<sup>13</sup>

Unique about Local 506 is that GE had by the 2010s sold virtually all of its other UE-organized facilities, leaving workers at the Erie facility the only UE-organized workers for GE by 2019. But due to the Erie facility's strategic importance, workers here were able to continue using the right to strike over grievances to regulate their relationship with the company. Relative labor peace coexisted with the right to strike due a carefully managed agreement between labor and management from the 1970s to the 2000s. The union announced imminent strikes using strike notices (outlined in Article 13 of the GE-UE contract), which gave the company advance notice of strikes and the right to a meeting with the union when requested.<sup>14</sup> Strikes at the Erie plant became less common from 1970 until the final ten years of GE ownership, during which a handful of strikes occurred. These final ten years were marked by the company's debt leveraging (which might have exacerbated the financial damage incurred by the 2008 global recession), a series of unsuccessful investments, a halving of the Erie facility's workforce during the mid-2010s, and the selloff of major business functions in the run-up to 2019.<sup>1</sup>

The breakdown in this relationship began long before Wabtec purchased GE's Transportation Division in 2019. For instance, GE chose thirty years ago to contract functions out of the Erie plant without bargaining over such changes - a decision which led to the decimation of Local 618 despite prolonged resistance from members. This ongoing dispute included a National Labor Relations Board (NLRB) decision which forced

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GE to reopen its photo lab in Erie and bargain with the union before it could contract out. GE ultimately adapted to the bargaining requirement but continued to subcontract after fulfilling it.<sup>16</sup> In 2014, Dennis Rocheleau, GE's chief labor negotiator from 1973 to 2004, sued his former employer over its decision to cut employee health insurance plans without providing a financial or strategic reason for doing so. A Wisconsin judge dismissed the class-action suit in 2017 on the basis that Rocheleau, who would have been required to spend an additional \$1,000 per year on his health plan, faced no cognizable harm.<sup>17</sup> The right to strike over grievances was abolished two years later in the midst of a contentious contract battle with Wabtec. In early 2019, the company attempted to impose a new contract to replace the existing one - a decision met by an eight-day strike and an interim agreement to maintain the old contract until a new one could be negotiated during summer of that year. That summer, the right to strike over grievances was sacrificed in exchange for the protection of existing pay rates; night shift premiums; and the right to strike over subcontracting, relocation, and abuses of the grievance procedure.<sup>18</sup>



# METHODOLOGY

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Findings in this report are based on a quantitative analysis of grievance archives provided by UE Local 506 and spanning January 2015 to February 2023 - a period marked roughly halfway by the elimination of the right to strike over grievances.<sup>19</sup> Based on the available grievance database, all years combined encompass 2,238 grievances and 225 duplicates and deletions.

Historical context for the current relationship between Local 506 and its former and current employers is provided by two individuals familiar with the relationship between GE and UE, each of whom were interviewed by phone over the course of March and April 2023. Both are retired, one being a former UE organizer and the other a former labor negotiator for GE's management team. Questions concerned workers' shifting attitudes toward the grievance process, the tone of labor-management relations at GE since the 1970s, and how the right to strike over grievances first appeared in the GE-UE contract.

Variables of interest in the data set include the number of case filings by year; the number of closures, holds, and denials by month; the buildings from which grievances originated per year; and the lengths of cases by year. For the sake of consistency, case lengths are measured as four broad, year-based categories rather than month-based categories because grievance filings from before 2019 include the dates of closures, holds, denials, remands, letters, and other important events, but not the dates upon which grievances were filed. Further, not all grievances - particularly those before 2019 - include closure dates either.

According to Leo Grzegorzewski, a grievance being 'closed' indicates that the grievance will not be argued any further in the grievance process. There also exist a few distinct types of closures. A grievance is closed 'without prejudice' when it is closed by the union at Step II of the grievance procedure but can be reopened later if need be. A grievance is closed 'per agreement' when the company and the union have agreed to resolve a grievance and it is considered closed. Not all grievances listed in the archive have closures recorded, but those that do only have one closure each. By contrast, 'holds' - moments at which the grievance process is put on pause in order to collect evidence - can occur multiple times over the life of a single grievance. Holds can be called by either the union or the company. When grievances are 'denied,' it is at a point when the company is not willing to settle the grievance at Step III of the grievance process - in other words, when the grievance process has been exhausted.

Important in this analysis is differentiating between trends that have more to do with the change in ownership from GE to Wabtec (which occurred in January 2019), versus trends that pertain specifically to the new contract which omits the right to strike over grievances (which was finalized in June 2019).

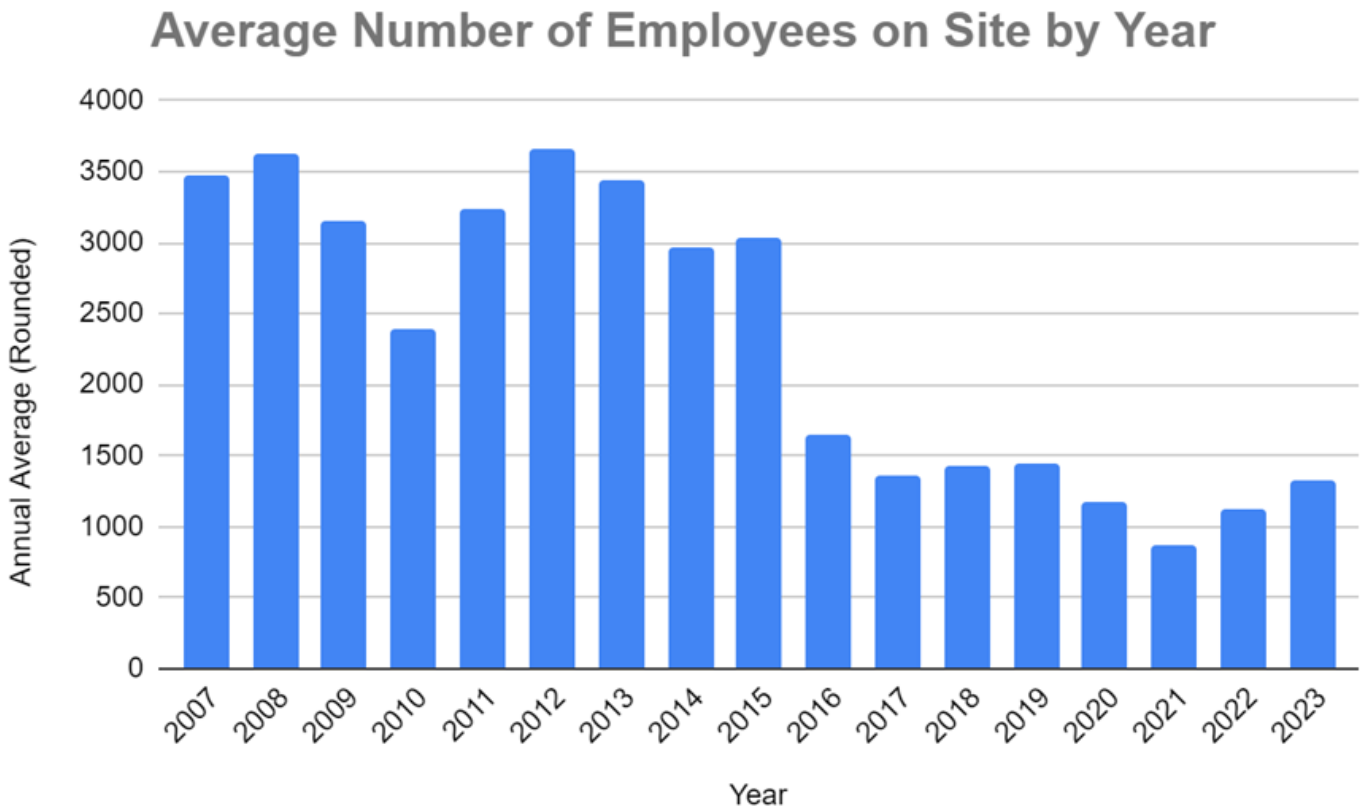
Determining the correlation of the grievance process and the use of the process involves paying close attention to monthly patterns in grievance filings, denials, and other variables. Changes that begin between January and June of 2019 (when ownership had changed but the terms of the previous GE contract still applied) are likely attributable to the ownership change, whereas those that occurred after June are more likely caused by the contract change, which is the focus of this report. The following sections illustrate that the significant changes in grievance-related variables that occur in 2019 tend to occur in the final months of the year.

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The data, which encompass January 2015 to February 2023, reveal an overall increase in grievance filings per capita over those years, a spike in cases during 2020 (only a minority of which were directly related to the COVID-19 pandemic), and the emergence of union grievance denials by the employer as an increasingly regular outcome in the grievance process. Compared to the average Erie employee in 2015, a worker in 2023 is about twice as likely to file a grievance. And whereas no grievances were denied between January 2015 and October 2019 (even as the plant experienced mass layoffs and the selloff of GE’s Transportation Division), the average employee can now expect up to one in three of their grievances to be denied.

This report’s years of interest are from 2015 to 2023, but personnel data from 2007 to 2014 is included to demonstrate that the mid-2010s brought a steep decline in the Erie facility’s workforce - around the time that this report’s analysis begins. Figure 1 shows this decline. This downward trend is necessary to understand the scale of grievances (and the trends that characterize them year by year) relative to the size of the plant’s overall workforce.

**Figure 1: Average number of employees on site by year**



## Grievances Per Capita Per Year

Figure 2 illustrates that although we see a general decline and plateau in the number of employees from 2015 to 2023, we do not see a parallel decrease in grievance filings, closures, or (especially) in denials over the same period. The average number of grievance filings per employee stands at around 0.13 from 2015 to 2018 (the final years of GE’s ownership), and at 0.25 from 2019 to 2023 - a near-doubling in the per-capita rate of grievances at the same time as the workforce declined by more than half. This increase holds true *even if pandemic-related cases in the post-2019 period are ignored*, with filings per employee still nearly doubling from 0.13 to 0.23.<sup>22</sup>

**Figure 2: Grievances per capita by year (2015-2023)**

Year	Number of grievances	Number of employees	Grievances per employee (rounded)
2015	445	3,029	0.15
2016	274	1,650	0.17
2017	145	1,356	0.11
2018	124	1,426	0.09
2019	181	1,442	0.13
2020	648 (503 if pandemic-related cases are ig-	1,176	0.55 (0.43 if pandemic-related cases are ignored)
2021	217	866	0.25
2022	167	1,130	0.15
2023	222 (Annual projection based on the current average of 18.5 filings per month)	1,332	0.17

It is worth remembering that although Wabtec took ownership of the Erie facility in January 2019, the conditions of the GE contract remained in place until June of that year. However, the number of grievance filings cannot be disaggregated by year according to month, as each filing is only assigned a registration number rather than a date at which it was filed. This is partly why this report examines the dates of closures, holds, denials, and other moments that demarcate the grievance process.

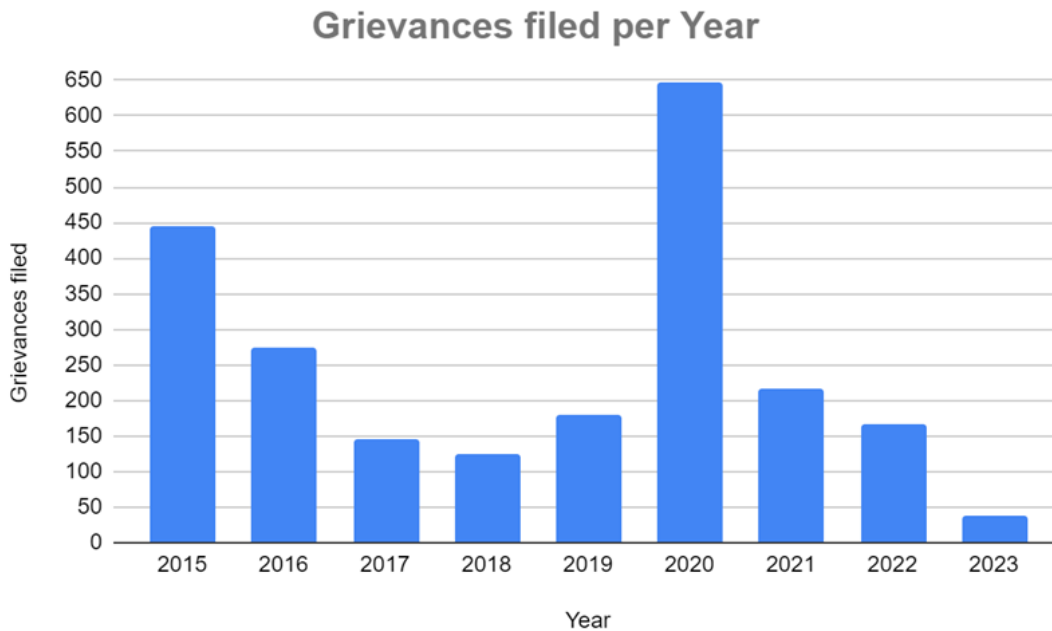
## Number of Case Filings Over Time

The data set’s total number of grievance filings (Figure 3) begins at almost 450 when recording begins in 2015, but incrementally decreases each year until reaching 124 in 2018. It is tempting to attribute this downward trend to a post-recession recovery, but the direct cause is more likely due to the plant’s shrink-

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ing workforce over this period. This pattern is interrupted by an increase in 2019 to a number that exceeds the 2017 level, followed by a fourfold increase to nearly 650 in 2020 driven in part (but not *mostly*) by disputes over compensation for mandatory quarantines during the COVID-19 pandemic. Case filings in 2021 nearly return to the 2019 number, after which they continue to decline. The year 2023 has seen 37 new filings over the course of January and February, but this year's data is currently too incomplete to be conclusive. However, if the current rate of filings holds for the remainder of the year at 18.5 new grievances per month, 222 new grievances can be expected - an increase to slightly more than the 2019 number.

**Figure 3: Grievances filed per year**

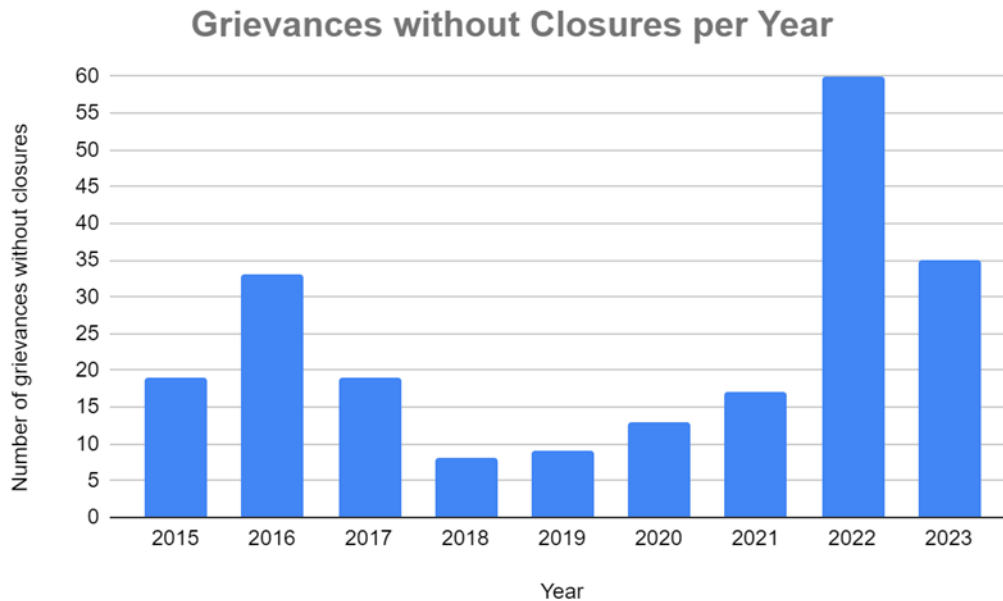


## Grievances are Less Likely to Close under Wabtec

According to the grievance archive, certain grievances have never reached closure. A lack of closure indicates that a grievance has arrived at a moment in which the grievance resolution process has been stalled, or that there exists a lack of information, clear communication, or perceived trust that results in an inability to come to agreement.<sup>23</sup>

Figure 4 reveals a remarkably consistent U-shaped trend in unclosed grievances. The number of unclosed grievances declines from 2016 to 2018 (the final four years of GE ownership) and increases from 2019 to 2022 (the data range's years of Wabtec ownership) - all recorded unclosed grievances in 2019 are under Wabtec. There are 35 unclosed grievances in 2023 because not enough time has passed at the time of writing for 2023's grievances to close. This figure might decline if grievances close at a higher rate than the rate at which new cases open, or it might grow if 2023 yields a high number of new cases.

**Figure 4: Grievances without closures per year**



## Grievances are More Likely to Reach Step III and Arbitration under Wabtec

As outlined by the GE-Wabtec collective bargaining agreement, the Erie facility's grievance process is organized into four steps. This report uses those steps as a way to assess the facility's workplace climate and the ability of labor and management to resolve workplace disputes.

- Upon filing, grievances begin at Step I - an employee must submit a grievance form within 14 days following the initiating event, after which the employee's supervisor has seven days to provide the company's response to the grievance.
- Step II occurs when the employee, if they find the Step I resolution unsatisfactory, presents the grievance form to a Labor Relations Representative within 14 days after the Step I discussion. The total length of Step II could vary widely depending upon the number of mutually agreed monthly Division Step II meetings (at which the Chief Plant Steward and the relevant Divisional Chief Steward are present) that occur before a final resolution. The company has seven days after a monthly meeting to provide its answer.
- Step III is similar in structure to Step II, except the union makes its appeal to the Labor Relations Manager and the filing deadlines are each seven days after the company's Step II answer or the monthly meeting. At this point, the grievance procedure is considered fully exhausted. If the Step III answer is not appealed within 60 days, it will be considered final and binding on all parties.
- If appealed before that date, the grievance moves to Step IV, in which it will be subject to final and binding arbitration by an external arbitrator jointly appointed by the company and the union.<sup>24</sup>

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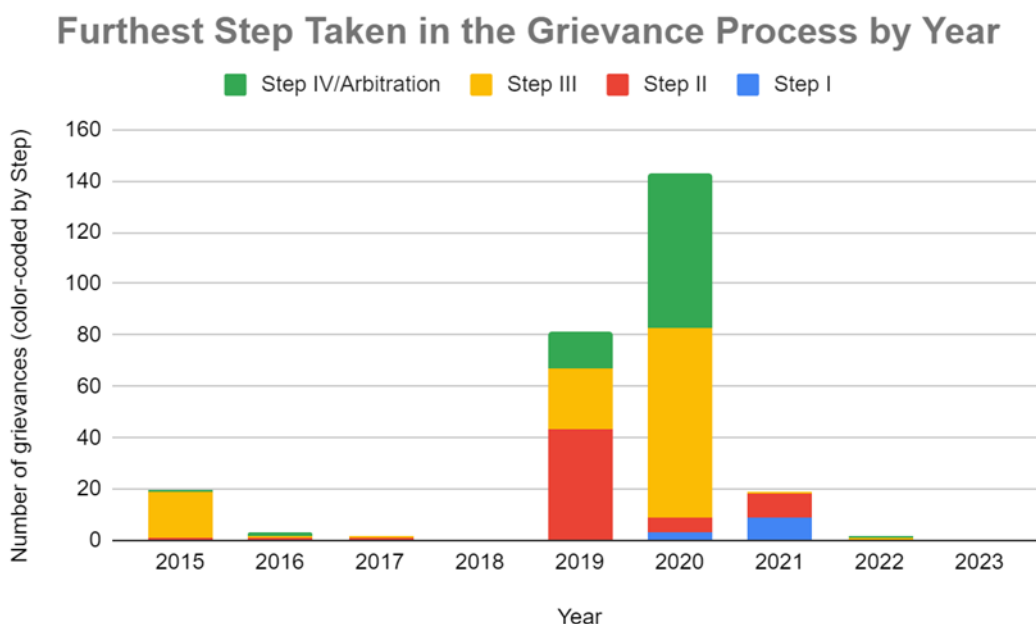
It is worth noting that most of the archive’s grievances do not have steps recorded, but this report includes the step metric in order to provide insight into the efficiency of the grievance process by creating a quantifiable proxy measurement.

A higher share of grievances being resolved at Steps I and II in a given year can, if this pattern is held consistently over time, reflect a pattern of faster conflict resolution between management and labor. A higher share of cases ending at Steps III and IV can reflect workplace issues being more intractable, whether due to external shocks like economic crises or a contentious workplace environment. This is especially the case if many grievances reach arbitration, which represents a last resort for both the company and the union as both parties traditionally hope to avoid leaving workplace disputes to the binding decision of a third party.<sup>25</sup>

The data set’s most notable years are 2015, 2019, 2020, and 2021, most visibly represented in Figure 5. Almost all of 2015’s twenty recorded cases concluded at Step III - a pattern which makes sense given that the workforce was cut in half from 2015 to 2016.<sup>26</sup> But 2015’s number pales in comparison to the totals in 2019 and 2020, especially as the plant’s total workforce from 2019 onward is marginally lower than it was in the post-layoff, pre-Wabtec years of 2016 to 2018, for which less than a dozen were recorded over the three years.

More than half of 2019’s grievances were solved at Step II. At first glance, this might suggest a grievance process which, under Wabtec, is used more frequently but remains functional. However, the sheer volume of the spike in grievances suggests a more contentious workplace, particularly when considering that nearly half of the year’s grievances reached Step III or arbitration. This is not to mention that *all* of 2019’s grievances for which steps are recorded occurred after the Wabtec contract came into effect.<sup>27</sup>

**Figure 5: Furthest step taken in the grievance process by year**





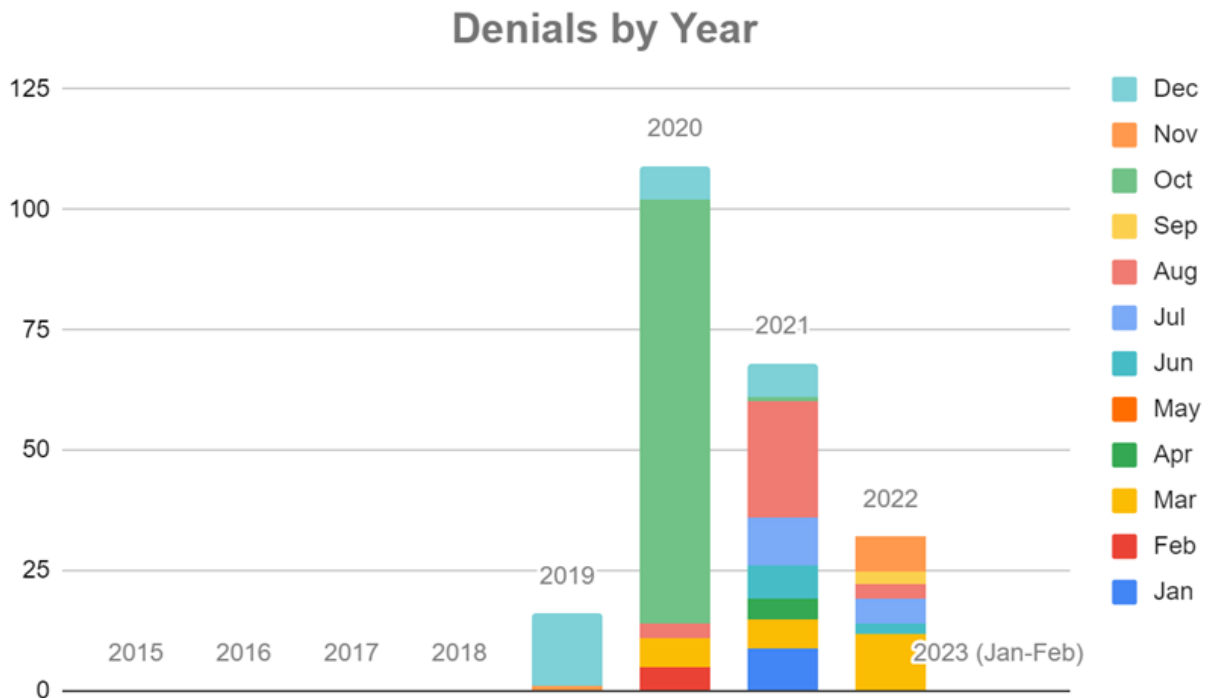
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In line with the 2020-2021 spike observed in other variables, the year 2020 sees a near-doubling in 2019's grievances, and nearly all reached Step III or arbitration. Grievances from 2021 onward returned to pre-2019 levels - 2021 had a total of fewer than 20, all of which were resolved at Steps I and II. On its own, this finding might suggest a grievance process which, while thrown into tumult during the first two years of the Wabtec contract, has been left braver for the strife. But important to note is that not a single grievance for which steps (or arbitration) were recorded during 2020 was filed in relation to paid quarantine leave or other pandemic-related issues.<sup>28</sup> In addition, other metrics - particularly denials - further complicate the story.

## Denials: A New Normal?

The total number of grievances per year and the post-2020 decrease in Step III and arbitration grievances conceal a range of other patterns, the starkest of which is the growth of denied cases as portrayed in Figure 6. In fact, the archive lists no denials whatsoever before November 2019 - five months following the June 2019 contract. The sixteen denials that appear in the final months of 2019 are followed by a near-sevenfold increase to 109 in 2020, with the vast majority occurring in October of that year. This amount declines to fewer than 70 in 2021, and to just over 30 in 2022.

Figure 6: Denials by year



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While no denials have occurred over the first two months of 2023, the years 2019-2022 appear to have set a precedent for denying workers' grievances. Figure 5 suggests that even as the raw number of grievances declined after 2020, grievances at the facility became proportionally more likely to be denied. Figure 7 reflects the increased denial rate. Fewer than ten percent of cases were denied in 2019, as were 16.82 percent in 2020. While the total number of denials declined during 2021, the percent of grievances denied increased to 31.34 percent before declining again in 2022 to 19.16 percent - still more than the 2020 rate.

**Figure 7: Rate of denials as a percentage of total grievances filed per year**

Year	Grievances filed (not counting duplicates)	Denials	% of grievances denied
2015	445	0	0%
2016	274	0	0%
2017	145	0	0%
2018	124	0	0%
2019	181	16	8.84%
2020	648	109	16.82%
2021	217	68	31.34%
2022	167	32	19.16%
2023 (as of February 24)	37	0	0%

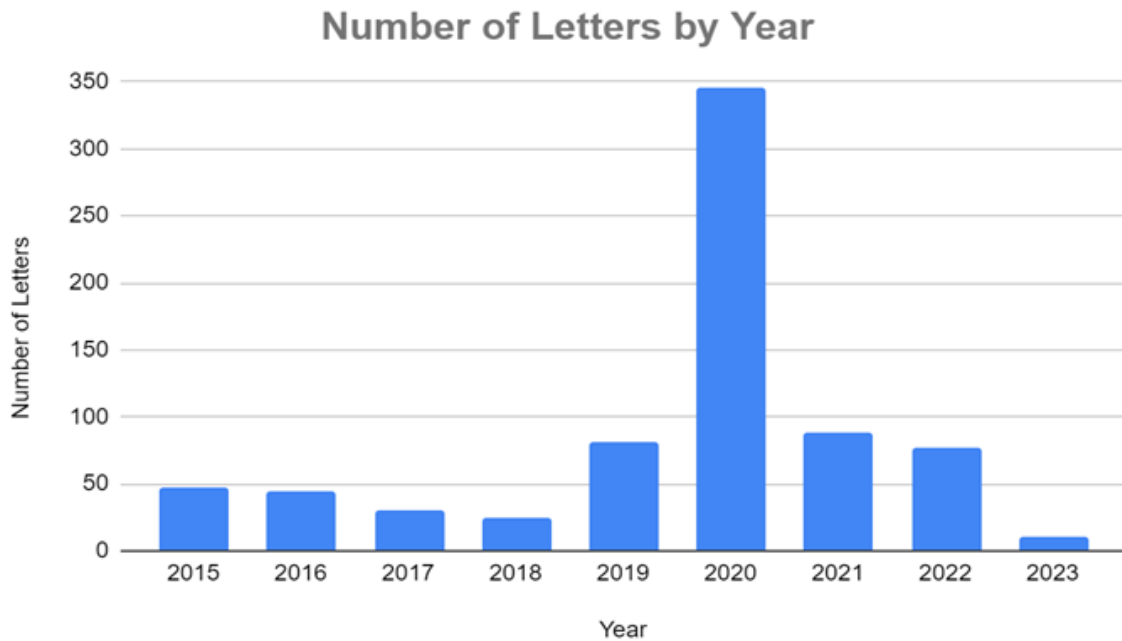
## Grievances are More than Twice as Likely to Receive Company Letters Since 2019

The issuance of company letters to grievance cases presents another noteworthy trend. When grievances receive such letters, it indicates that the grievance has been argued to the point of Step II, but that the company was not willing to settle the issue at Step II of the grievance process. At Step III, the company responds to grievances with an official letter to the union within seven days following the Step III meeting.<sup>29</sup>

The raw number of letters begins at just under 50 in 2015 before gradually declining each year until 2018 (Figure 8). This number roughly tripled in 2019, during which all letters that year were issued under the Wabtec contract and quadrupled in 2020. During this growth period, the number of letters issued per year grew from a few dozen in 2018 to more than 300 over the course of two years. The number issued per year returns to 2019 levels from 2021 onward, which still represents a marked increase from the pre-Wabtec period.

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**Figure 8: Letters by year**



It is again important to remember that the return to 2019 levels has not resulted in a reduction in the *overall frequency of letters per capita* as a feature of the grievance process. Figure 9 demonstrates a general increase in the likelihood of grievances resulting in company letters. The ratio of ‘letters per grievance’ (calculated as a year’s total number of letters divided by the year’s total number of grievances) stands at an average of 0.173 from 2015 to 2018, and more than doubles to an average of 0.424 from 2019 to 2023.

**Figure 9: Letters per grievance by year**

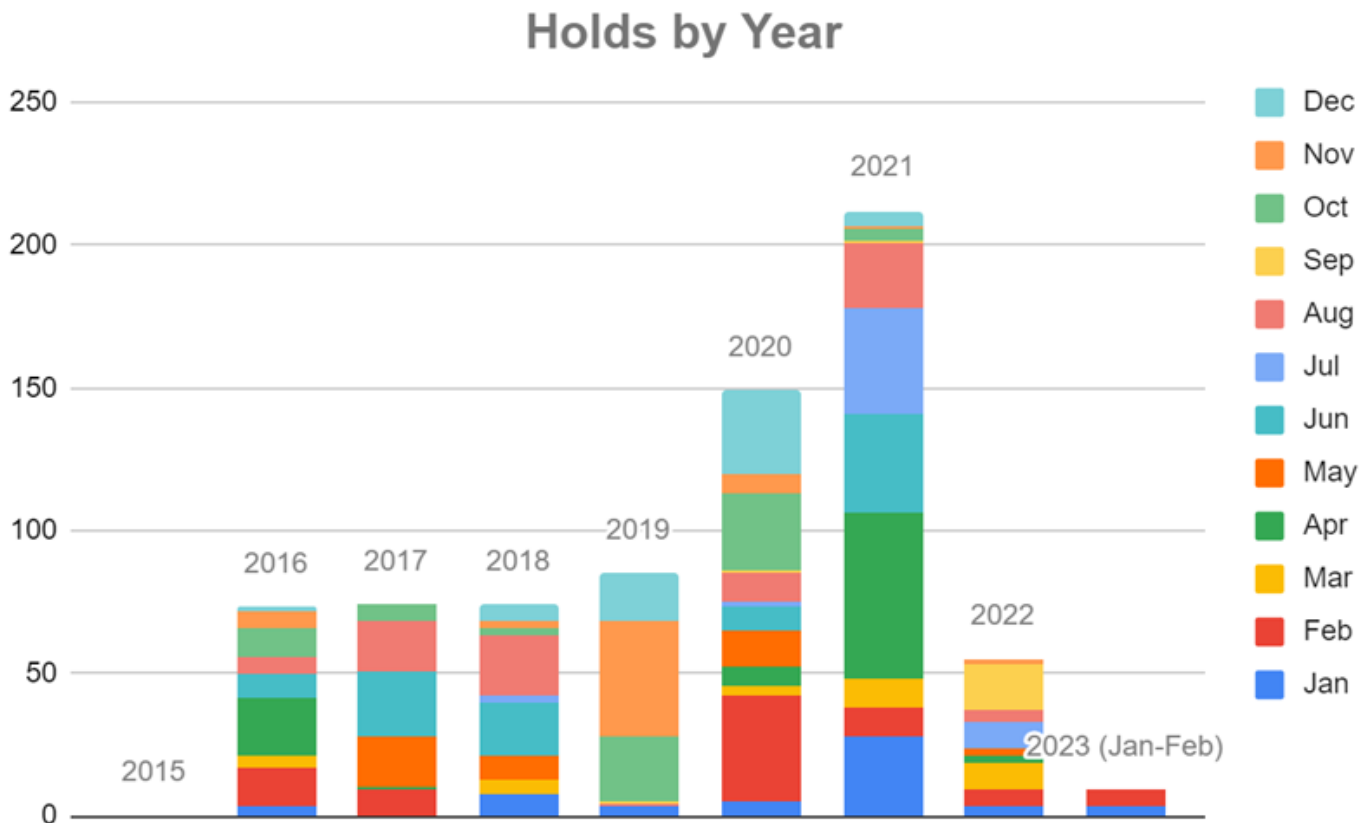
Year	Letters per Grievance
2015	0.11
2016	0.17
2017	0.21
2018	0.20
2019	0.45
2020	0.53
2021	0.41
2022	0.46
2023	0.27

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## Fewer Holds Following COVID-19 than Before

“Holds” are moments at which the grievance process is put on pause in order to collect evidence, and can occur multiple times over the life of a single grievance. While workers can now expect to see more of their cases denied within a grievance process that now lacks a right to strike over grievances, they have conversely seen a spike in “holds” over 2020 and 2021 - much in line with other variables like denials, closures, and case filings - to more than 200, followed by a sharp decline in 2022 to just over 50, less than the remarkably consistent pre-2019 rate of roughly 75 holds per year (with the exception of no holds at all recorded in 2015). While the first major increase that occurs in 2019 is slight, Figure 10 shows that it remains significant because nearly all of the year’s holds occur in the final three months - a trend mirroring that of the case denials.

Figure 10: Holds by Year

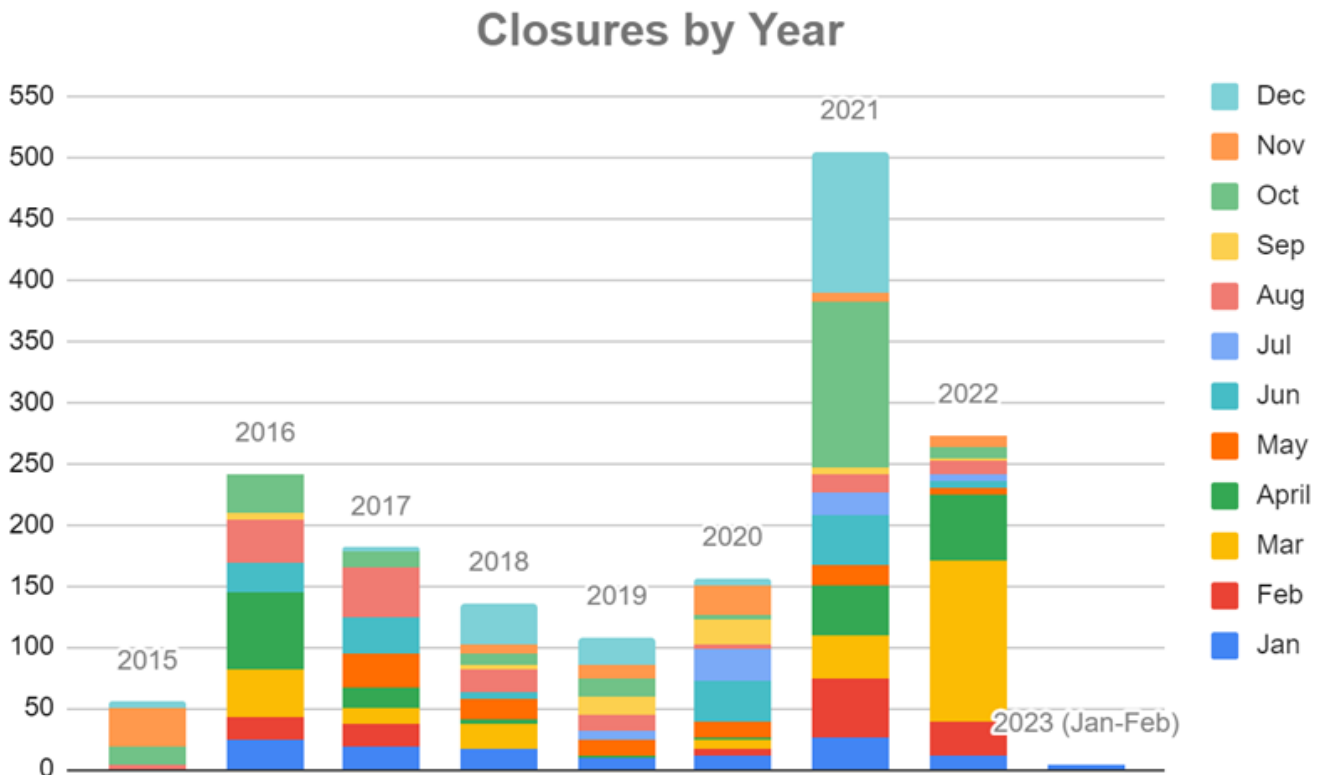


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## Case Closures Return to Pre-pandemic Levels, but Remain Higher than in 2016

“Closures” are moments during the grievance process at which the grievance will not be argued any further in the grievance process. Very few closures (just over 50) were recorded in 2015 since recording began in January of that year. Cases that began in years prior but closed in 2015 are therefore not recorded. Figure 11 reveals that closures increased to nearly 250 in 2016 but begin a gradual decline to just over 100 in 2019. The first two years of the pandemic brought a dramatic reversal of this trend - the 2020 number increases to above the 2018 level before 2021 nearly triples the annual rate of closures to over 500, likely reflecting the surge in case filings the year prior. This number declines sharply in 2022, but to more than the previous high witnessed in 2016. The data ends too early in 2023 to make a generalizable conclusion for how many grievances will close in 2023. The number of cases that closed in January 2023 is the lowest among all recorded in that month, except for 2015. Grievance closures return to pre-pandemic levels after the 2021 spike but remain more elevated than might be expected from other measures included in this report. Closures remain higher than in all previous years except for 2021, even as grievance filings in 2022 are close to their previous nadir in 2017 and 2018.

Figure 11: Closures by year



## Patterns Shared Across Denials, Holds, and Closures

From the results above, we see a similar tendency across metrics - a sharp increase in denials, holds, and closures after the ownership change from GE to Wabtec (and the concomitant change in the collective bargaining agreement) in 2019. The challenge is deciding whether this increase has more to do with workers losing the right to strike over grievances, or with workplace disputes related to the COVID-19 pandemic. Here, it helps to compare 2022 to years 2015 to 2018, and to pay close attention to the months between June 2019 and February 2020 - those following the contract change but preceding the pandemic.

The number of holds in 2022 indicates a possible reduction from the remarkably consistent rate of roughly 75 holds per year from 2016 to 2018, even though nearly all of 2019's holds were recorded in that year's final three months.

However, the change in the rate of case closures per year is less conclusive. We see a consistent decline from 2016 to 2018 even as holds held steady, followed by the 2020 spike. The number of closures in 2022 is just above the previous high in 2016. In contrast to the pattern observed in holds and denials in 2019 (a very heavy skew toward the final three months of the year), closures in 2019 are evenly distributed across months.

Of all variables, the change in denials is by far the most striking. No denials whatsoever are recorded until November 2019, after which the number per year reached a high of over 100 before falling to its most recent amount of roughly 30.

It is worth repeating that these patterns do not, for the most part, follow a trend of linear decline despite a significant reduction in the size of the facility's workforce from 2015 to 2023. For this reason, per capita measures that take into account the size of the overall workforce are of particular use in clarifying the scale of changes in the grievance process since June 2019.

## Grievances by Contract Clause

More than half of grievances over the Erie facility's past eight years were filed during or after January 2019. But COVID-19 explains only part of the increase in grievances after 2019.

According to the database, 998 grievances were filed under GE ownership (999 under the GE contract, the terms of which ended in June 2019, six months after the transfer of ownership), and 1,250 were filed under Wabtec ownership (1,239 under the Wabtec contract). Since the most conspicuous increase in grievance filings occurs in 2020, it is tempting to attribute much of this increase to the pandemic rather than to other workplace issues. However, according to the union's own breakdown of grievance filings by contract clause from January 2019 onward, only 145 of that period's estimated 1,171 grievances are related to COVID-19 (Figure 12). Even if all 145 of these cases occurred in 2020, they would only account for about 22 percent of that year's grievances, leaving more than 500 cases attributable to other causes. This would still make 2020 the peak year for grievance filings even if pandemic-related cases were completely ignored.

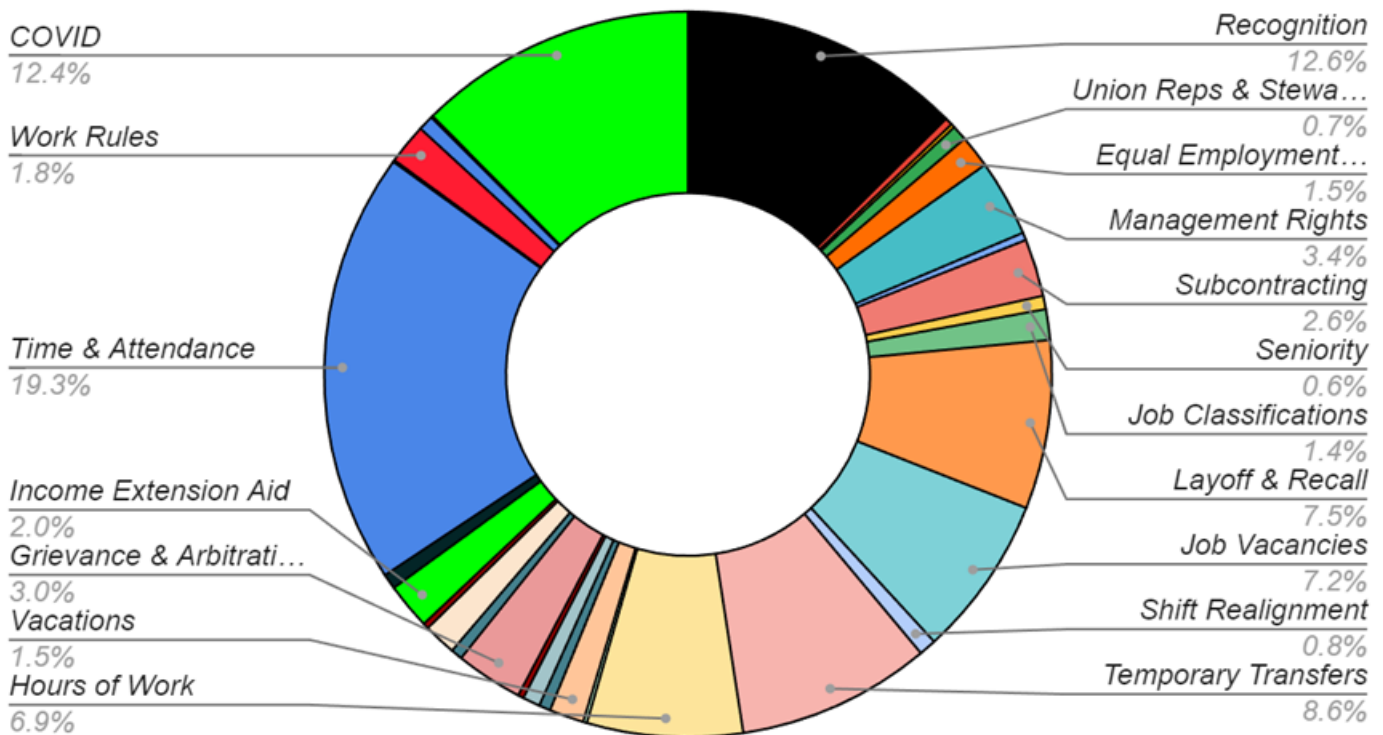


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In fact, the plurality of grievances is attributable to time and attendance issues (19.3 percent), and COVID-19 is only the third-largest originator of Wabtec-era grievances (12.4 percent). Union recognition issues comprise the second-largest category at 12.6 percent.

Figure 12: Grievances by contract clause (January 2019 - February 2023)

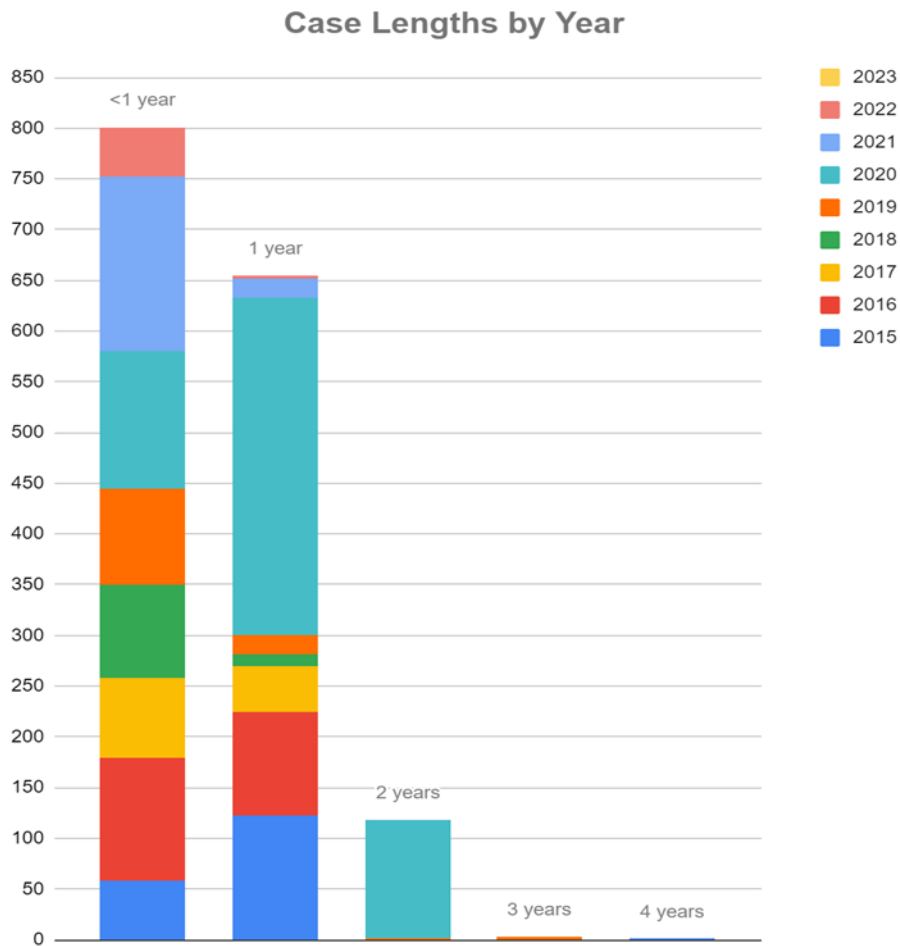
## Grievances by Issue (January 2019 - February 2023)



## Longer Case Duration Since 2019

Figure 13 indicates, roughly half of all cases were closed within one year, compared to about 41 percent between one and two years. Nearly 120 were closed in between two and three years, three were closed in between three and four years, and one took more than four years to close. The total number of grievances that closed after more than two years is too small to make a generalizable conclusion about whether grievances filed before or after 2019 took longer to close, so there is more analytical power in paying greater attention to those that took less than two years to close. For both categories that make up this group, more than half of cases occur between 2019 and 2023, with half of the cases that take between one and two years to close being from 2020 alone. Indeed, virtually all of the cases that took between two and three years to resolve occurred in 2020 as well. These trends suggest a general tendency toward longer cases from 2019 onward.

**Figure 13: Case length by year**

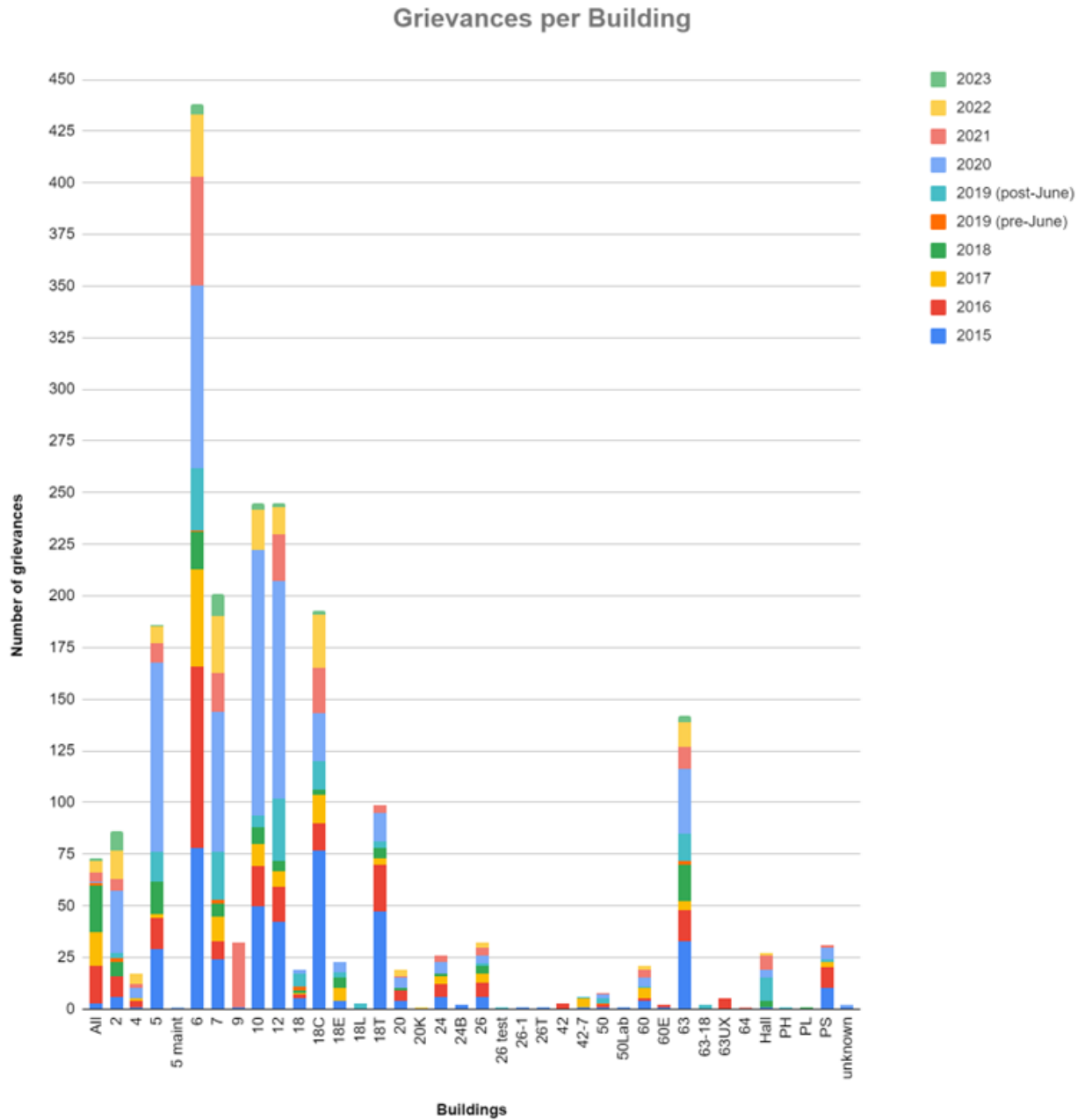


## Distribution of Grievances Across Buildings

Grievance filings from 2015 to 2023 are unevenly distributed across buildings as well. As seen in Figure 14, out of thirty-six buildings in total, buildings 5, 6, 7, 10, 12, 18C, 18T, and 63 each have roughly 100 or more grievances for the total data period, with buildings 6, 7, 10, and 12 each having more than 200. Building 2 has contributed 86 grievance filings to the total number, and 73 are listed as concerning all buildings. The more than 430 grievance filings from Building 6 are rather evenly distributed across years - roughly half before June 2019 and half after. This distribution across years is the same for Buildings 18C and 63, but more than half in Buildings 2, 5, 7, 10, and 12 are from after June 2019. Most case filings in the ‘All’ category and Building PS are from before June 2019.

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Figure 14: Grievances per building



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Figure 15 provides descriptions of the supply chain functions performed at each of the nine buildings that contribute most to the total number of grievances - Buildings 2, 5, 6, 7, 10, 12, 18C, 18T, and 63. Building 6 contributes the greatest share of grievances because, aside from housing the Erie facility's coil winding functions and the manufacture of alternators and generators, it hosts the greatest number of employees. Building population accounts for a great deal of the variation in the number of grievances per building.<sup>30</sup>

**Figure 15: Functions in the nine major buildings**

Building number	Building function
2	Machining and certain kinds of welding
5	Heavy weld/fab locomotive decks and all heavy welding
6	Coil winding, alternators, and generators
7	Light weld/fab main cabs, air racks, rad cabs
10	Final locomotive assembly
12	Assembly, wiring harnesses, rad cabs, main cabs
18C	Assembly of electrical components and sub-assemblies
18T	Assembly of locomotive trucks; locomotive teardowns and rebuilds
63	Kitting for the Erie facility and other plants across the world

# CONCLUSION & FURTHER INVESTIGATION

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From the data provided, we can observe at least five significant trends related to the elimination of the right to strike over grievances.

1. There has been a general increase in grievance filings per capita from 2015 to 2023.
2. A spike in cases occurred during 2020 that is only partially attributable to the COVID-19 pandemic.
3. Company letters have grown in frequency from 2015 to 2023, with a large spike beginning during the first months of the Wabtec agreement. This indicates a higher likelihood of grievances reaching Step III and arbitration - the later stages of the grievance process.
4. The number of unclosed grievances has grown consistently from 2019 onward, with a significant spike occurring in 2022.
5. Denials have emerged as a regular outcome in the grievance process from 2019 onward.<sup>31</sup>

Other trends might also exist that this report does not measure or consider. Further evidence and analysis would allow us to link patterns more thoroughly between dependent variables. For instance, being able to sort grievances by issue from 2015 to 2019 would provide greater clarification about the comparative issuance of company letters in the two time periods studied.

Additionally, knowing the specific month during which each grievance from 2015 to 2023 was filed would allow for a more precise measurement of how long grievances take to resolve. A longer study could incorporate testimony from rank-and-file employees at the Erie plant. An expanded version of this method can be used in a more intricate comparative study of how the right to strike over grievances has historically been used at the UE-organized Erie plant versus at IUE-organized plants in Kentucky and Massachusetts.<sup>32</sup>

Since 2019, the new precedent of frequent grievance denials runs the risk of encouraging cynical attitudes among the workforce toward the dispute resolution process. It more broadly threatens to erode the ability of workers and managers to jointly solve workplace disputes. The grievance process - as labor law, decades of NLRB decisions, and court precedents have historically intended - is a legally-sanctioned alternative to industrial strife. But if it is viewed or is being used as a management tool more suited to stonewalling labor disputes than to solving them, the grievance process risks becoming a contributor to dysfunctional labor relations. Under these conditions, more confrontational labor-management engagements become more likely. Contrarily, GE's agreement to accept the right to strike over grievances might have - until 2019 - protected the procedural integrity of more formalized and less hostile alternatives to striking.

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Zoom interview with former organizer for the United Electrical Workers. Interview by Spencer Shimek. March 24, 2023.

# ENDNOTES

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1 Collective bargaining agreement signed June 6, 2019, Article XXV, Section 1 (p. 45); To be clear, UE’s collective bargaining agreement with GE-Wabtec does include a ‘no-strike’ clause that prohibits strikes and other work stoppages during the term of the contract. However, it includes a range of exceptions to this rule under specific circumstances, such as work transfers that result in permanent layoffs, a failure by the company to comply with binding decisions made in arbitration, or a company failure to respond to Steps II or III of the grievance procedure in a timely fashion.

2 The United Electrical Workers first organized General Electric’s Erie facility in 1937, where Local 506 has remained ever since.

3 Collective bargaining agreement between Wabtec Corporation and United Electrical, Radio, and Machine Workers of America Locals 506 and 618, Erie, Pennsylvania Manufacturing Plant, signed June 6, 2019, Article XXI, Section 1, p. 35.

4 “Them and Us Unionism,” United Electrical, Radio, and Machine Workers of America, published July 2020, <https://www.ueunion.org/ThemAndUs/>.

5 Leo Grzegorzewski, “GE grievances 2015 thru 2019,” Google Sheets document, United Electrical Workers Local 506, provided March 2023; Leo Grzegorzewski, “Wabtec grievances 2019 thru 2023,” Google Sheets document, United Electrical Workers Local 506, provided March 2023.

6 Telephone interview with former labor negotiator for General Electric, interview by Spencer Shimek, March 27 and April 6, 2023.

7 Zoom interview with former organizer for the United Electrical Workers, interview by Spencer Shimek, March 24, 2023; A few thousand members used to comprise UE Local 618, but its membership currently stands in the single digits, according to the former organizer interviewed. Local 618 continues to officially exist as its own formation, but its membership bargains as part of Local 506, suggesting that it has largely assimilated into the larger local. Local 618 exists as part of Local 506’s memory of what can occur to organized workforces as a result of contracting out and mass layoffs, and as an example of what Local 506 hopes to avoid.

8 Carl Rosen, Email to author, May 11, 2023.

9 Labor negotiator, interview; Union Organizer, zoom interview March 24, 2023.

10 Nick Driedger, “Beyond red baiting: reading between the lines of the history of United Electrical Workers,” *Organizing Work*, August 19, 2020; United States Chamber of Commerce, “Communists within the Labor Movement: The Facts and Countermeasures,” Committee on Socialism and Communism, Internet Archive, 1947.

11 Labor negotiator, interview.

12 Ibid.

13 Ibid.

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14 Labor negotiator, interview; Organizer, interview; Collective bargaining agreement signed June 6, 2019, Article XXV, Section 1(a)(ii) (p. 45).

15 Labor negotiator, interview.

16 Organizer, interview.

17 John Cropley, “Judge throws out GE retirees’ health benefit lawsuit,” The Daily Gazette, June 15, 2017; Labor negotiator, interview; United Electrical Workers, “Rocheleau Lawsuit,” 2015 UE-GE Negotiations, 2015.

18 Organizer, interview.

19 Leo Grzegorzewski, “Contract Prep - Sorted Grievances,” Google Sheets document, United Electrical Workers Local 506, provided March 2023.

20 Leo Grzegorzewski, “Grievances Breakdown,” Google Sheets document, United Electrical Workers Local 506, provided March 2023.

21 “Local 506 Per Capita History 2016 through Feb 2023,” Google Sheets document, United Electrical Workers Local 506, provided March 2023 by Andrew Dinkelaker.

22 Grzegorzewski, “Grievances Breakdown,” provided March 2023.

23 Leo Grzegorzewski, Phone conversation with author, May 6, 2023.

24 Collective bargaining agreement signed June 6, 2019, Article XXI, Sections 4 and 7(a) (p. 35-37).

25 ADR.gov, “Comparing ADR Processes,” Interagency Alternative Dispute Resolution Working Group, last modified 2022; United Electrical, Radio and Machine Workers of America, “Whether or Not to Arbitrate,” United Electrical, Radio, and Machine Workers of America, last modified 2022.

26 Leo Grzegorzewski, “GE grievances 2015 thru 2019,” Google Sheets document, United Electrical Workers Local 506, provided March 2023.

27 Leo Grzegorzewski, “GE grievances 2015 thru 2019”; Leo Grzegorzewski, “Wabtec grievances 2019 thru 2023,” Google Sheets document, United Electrical Workers Local 506, provided March 2023.

28 Leo Grzegorzewski, “Wabtec grievances 2019 thru 2023.”

29 Leo Grzegorzewski, Email to author, April 13, 2023.

30 Leo Grzegorzewski, email to author, April 14, 2023.

31 It is possible that the 2020 spike itself occurred for pandemic-related reasons, but grievances directly related to issues such as quarantine leave counted for only a minority of cases. Most of the other cases in 2020 were related to more commonplace workplace issues such as time and attendance, but it is difficult to determine whether these cases would have existed if the COVID-19 pandemic had never occurred.; Grzegorzewski, “Grievances Breakdown,” provided March 2023.