Pennsylvania Turnpike Survives Seven-Day Strike

By Carl DeFebo

Ask any of the 2,300 employees of the Pennsylvania Turnpike Commission: 2004 was one of the most significant years in the toll agency’s history – perhaps as momentous as the roadway’s opening in 1940. It began with the January announcement of the first toll hike in 13 years, a 42.5 percent increase effective August 1, 2004; the year’s end was marked by a seven-day walkout of some 1,900 unionized toll collectors, maintenance workers and clerical staffers.

While there had been four prior toll increases in the Turnpike’s 64-year history, never before had the Commission experienced a labor strike. Since the union’s formation in 1972, the two parties typically settled on a new contract within a month or two of the expiration of the old pact. Before 2004, the longest span without a contract had been just four months.

The full story of the 2004 strike goes back to July 2003 when negotiating teams from both sides – Turnpike and Teamsters – initiated the first of nearly 50 bargaining sessions. Over the next 16 months,
multiple offers, numerous counter-offers and even four versions of the Commission’s “final offer” would cross the table.

Despite the concerted efforts of both sides to reach a new contract agreement, the Commission was finally confronted with a walkout on the peak traffic day of the year. The event tested not only the negotiators but the entire Commission staff.

**Bargaining Bogs Down**

Negotiations intensified in the fall of 2004. The first anniversary of the previous contract’s expiration (September 30) came and went without a settlement. By late October, as rumblings of a walkout escalated, Turnpike officials announced publicly for the first time that labor talks were continuing but progressing slowly.

With public concern increasing, Turnpike officials reassured motorists that, in the event of a strike, the toll road would stay open. They also released details of a contingency plan that called for the collection of a temporary “flat toll” and the placement of interim collectors – management employees temporarily reassigned to work 12-hour shifts in the tollbooths – throughout the system. The cash-only charge would be $2 for passenger vehicles and $15 for commercial vehicles, regardless of distance traveled, as no toll tickets would be issued at entry. Similarly, E-Zpass customers would pay the flat rate, or, if it was less than the temporary toll, the standard toll.

Managers were given their assignments and some had begun to receive official “temporary toll collector” training. Other managers would be deployed to staff the Turnpike’s 20 maintenance sheds and still others would stay in the offices to maintain operations.

In announcing a further round of talks, Turnpike Chief Executive Officer Joseph Brimmeier maintained hope in reaching an agreement with the union workers: “Our goal is to negotiate a contract that is fair to employees, and we will make every effort to accomplish that objective during this bargaining session.”

Brimmeier also stated that because the union had asked its members to be prepared to take “alternative measures” if an agreement were not reached, “we must be prepared for the possibility of a work stoppage.”

Labor negotiations resumed on October 25 but ended after more than five hours of discussion. Teamsters representatives stated that the union reserved the right to call a strike at any time without notice and speculation quickly arose within the Commission about whether the union would go through with the work stoppage. Officials braced for a walkout and non-union staff were put on standby to employ the contingency plan at a moment’s notice.

No additional talks were scheduled.

By that stage, provisional training was nearly complete and management employees who wanted to take leave were required to be in contact and able to return within 16 hours of notification.
No new talks were scheduled and this proved to be the final bargaining session before the strike.

**Strike Now “Likely”**

By the Monday before Thanksgiving, Turnpike executives had received sufficient reports from the field to make a public announcement that a strike appeared imminent. Within Commission headquarters, discussion of a walkout was no longer a question of if, but when.

Turnpike officials issued a statement to alert holiday travelers of the situation. “We expect 650,000 cars and trucks will use the Turnpike on the day before Thanksgiving and we want to give travelers advance notice of the chance of a work disruption,” the statement read.

Brimmeier added that the Commission had submitted a new proposal to the union, in the effort to avoid a strike, and he urged union leadership to submit it to members for a vote. The proposal included an enhanced, fully paid healthcare package that matched management benefits, annual pay increases in each of the next three years, and language to ensure job security. It was the first time the Commission had publicly released any details of the proposed contract.

That same Monday, Turnpike officials called for increased state police presence to help ensure order in case of a walkout. A state trooper was posted at every Turnpike interchange and the leaders of Pennsylvania State Police Troop T – exclusively assigned to patrol the Turnpike – initiated 12-hour shifts to ensure coverage across the system and around the clock.

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**Negotiations End Abruptly**

An announcement came in early November that contract negotiations would resume on Tuesday, November 15 – just three weeks after the previous meeting ended in frustration. Brimmeier said he still hoped a walkout could be avoided and, with new sessions scheduled, he did not anticipate a labor strike the first two weeks of the month.

Meanwhile, reporters across the commonwealth had been closely following the story and hundreds of calls came into the Turnpike press office to inquire on the status of talks. The public seemed hungry for information on the possible strike.

As was the case for all sessions, negotiations were to be held at an undisclosed location in Harrisburg – “undisclosed” meaning the Best Western hotel across the street from Turnpike headquarters.

Talks broke down quickly over the issue of retroactive pay and the much-anticipated session lasted only minutes.

“The union leadership made it known immediately that negotiations would not proceed unless retroactive pay was considered by the Commission,” Brimmeier said. “The subject of retroactive pay was taken off the table in February 2004, when union leadership rejected the contract that we were proposing at that time.” He added that monies for retroactive pay were being used for medical and prescription-drug benefits for union members.
**Statewide Walkout Begins**

On November 24, approximately 1,900 unionized toll collectors, maintenance workers and other personnel walked off the job. The Commission announced that a statewide work stoppage had been initiated by the Teamsters at 4 a.m.

“Even though we were not officially made aware of their intent to strike today, we were fully prepared to deal with it,” Brimmeier said in a statement released early that morning. “We must keep the highway open on the busiest travel day of the year, so we will not be collecting tolls today. All trips on the Turnpike will be free of charge.”

Management employees who had been trained to collect tolls were deployed to their posts but for now they would simply wave traffic through the tollbooths. The Turnpike continued to allow free passage, including E-Zpass, until midnight.

During the waiver period, the Commission warned motorists to proceed with caution through the tollbooths. “There will likely be customers stopped waiting for a toll ticket or a collector,” said Brimmeier, “and we want to avoid accidents and backups if possible.”

At the same time, the Turnpike released additional details of its final offer. Among the top items of interest on the proposal were an annual pay increase of 40 cents per hour over each of the next three years, a fully paid indemnity healthcare package, a three-year “no-layoffs” guarantee, and 15 paid holidays and four weeks of paid vacation.

“This is a more than generous offer; in fact, if we offered anything more, it would be financially irresponsible on our part,” Brimmeier said. “We urge the union leadership to put this proposal out to the rank-and-file members for a vote.”

**The Flat Toll**

Beginning at 12:01 a.m. on Thursday, November 25, the Turnpike began charging the flat toll. Because the strike had been well publicized, nearly all motorists were prepared to hand over the set fee. For many motorists from out of state, the cheaper fare seemed like a Thanksgiving gift. Those who had expected to pay $20 were pleasantly surprised when the collector asked for $2.

Some fare disputes erupted when customers argued that they typically paid less, particularly in the case of commercial carriers. On rare occasions, a customer became confrontational but, in these instances, the state police were nearby to help remedy the situation.

Overall, the flat toll proved extremely efficient in boosting throughput. Drivers approached the tollbooths holding a pair of $1 bills out the window, and the interim collectors needed only reach out to accept the money. In many cases, especially during rush hour, drivers could just decelerate instead of stopping, which helped to move traffic at a steady pace.

Remarkably, throughout the seven-day period, backlogs at the interchanges were largely avoided. “We experienced little or no traffic troubles throughout the entire event,” Brimmeier said. “We were prepared to waive tolls on a case-by-case basis if traffic exiting a...
given toll plaza backed up onto the Turnpike, but it never came to that.”

Usage of E-Zpass contributed significantly to the maintenance of smooth traffic throughout the strike and the rate of E-Zpass applications nearly doubled during the strike.

**Parties Reach Accord**

During the course of marathon sessions that began Monday, November 29 at 2:30 p.m. and ended around 10 p.m. on Tuesday, November 30, the two parties reached a tentative agreement. Teamsters began reporting to their normally scheduled shifts around 11 p.m. that night, although the agreement had yet to be ratified by members. Management and union cooperated to ensure a smooth, seamless transition at interchanges and maintenance sheds and by midnight unionized collectors had taken over staffing of the tollbooths.

Normal collection of tolls resumed at 9 p.m. on Wednesday, December 1, when toll tickets were issued and standard fares collected at all interchanges. An eight-hour grace period — until 5 a.m. Thursday, December 2 — was allotted to customers who entered when tickets were not issued.

**Swapping Stories**

As management workers returned to their regular jobs, the halls throughout the Turnpike’s headquarters in Harrisburg — and its two satellite offices near Philadelphia and Pittsburgh — were abuzz with conversation about incidents that occurred “out on assignment.” Whether they had served as a toll taker, a tunnel guard, a maintenance worker, or at any other post, people were eager to trade tales of what happened in the field. Impromptu discussion groups formed throughout the office to retell experiences still fresh in everyone’s minds — interesting tales of contact with Turnpike customers and the camaraderie felt during this difficult time.

Bonding with fellow workers was one of the more commonly appreciated benefits. There was a feeling of having survived an arduous experience together.

“Everyone pitched in,” said Business Systems Analyst Matthew Bowman. “No one complained and we actually had a decent time despite the situation.”

Treasury Manager Nikolaus Grieshaber enjoyed the opportunity to work with people from different parts of the organization. “I think the best part was that we all knew what we had to do and worked as a team to get it done,” he said.

Many interim collectors talked of dealing with the huge piles of $1 bills amassed over the course of a 12-hour shift. A cash drawer could only hold so much, creating a need for an alternate storage. Some stashed the bills in bags until the end of their shifts. There was a report that one person just bundled them up and kept them on the floor of the tollbooth until counting time came. Across the Turnpike there were instances where, in just one shift, anywhere from $7,000 to $8,000 in singles was collected.
Turnpike executives anticipate a prompt recovery of that revenue without having to sacrifice capital projects. Brimmeier acknowledged that the strike affected the commission’s operating budget, but, he added, “we expect to quickly recoup those lost earnings by the savings that we’ll see under the new contract.” Under the pact, the Commission will realize $3.1 million in healthcare cost savings alone over the next 3 years. Plus, the contract includes significant work-rules revisions regarding overtime and scheduling, which will result in increased operational efficiency and reduced costs.

The agreement – ratified by union members December 23, 2004 and approved by the five-member Turnpike Commission January 18, 2005 – is effective through September 30, 2007. The new deal provides the following wage adjustments to unionized workers:

- No wage increase for the period Oct. 1, 2003 to Sept. 30, 2004 (union bargainers had sought retroactive pay from October 1, 2003)
- 55-cent-per-hour increase for the period October 1, 2004 to Sept. 30, 2005
- 55-cent-per-hour increase for the period October 1, 2005 to Sept. 30, 2006
- 50-cent-per-hour increase for the period October 1, 2006 to Sept. 30, 2007

Beginning in the fall of 2006, considering the pay increases in the new agreement, a starting toll collector will receive $17.36 per hour (or $36,108 per year); the maximum toll-collector wage will be $20.29 per hour (or $42,203 per year).

Other tales spoke of the “unique and interesting” motorists one would encounter in a day’s work. All variations of attire were witnessed, from formal wear to underwear, costumes to pajamas. Pets accompanied a surprising number of travelers, it seems, and many collectors were amazed to see the abundance of piercings and tattoos on drivers and passengers alike. It also became apparent that some travelers may know where they’re headed, but they have no idea how to get there; hence, the collectors were asked for directions to a diversity of destinations near and far.

**Strike’s Price Tag**

On January 27, 2005, the Commission issued a final accounting of the financial impact of the strike: The seven-day labor action cost the Commission $3.4 million. The accounting broke down the strike’s financial impact as follows: The Commission lost $4.2 million in toll revenue – including a 20-hour period when it waived tolls altogether – plus an additional $900,000 in affiliated expenses (overtime, travel and lodging, and temporary labor) for a total impact of $5.1 million. The loss was softened by payroll savings of $1.7 million as the commission did not pay picketing union workers.
Regarding fringe benefits, the agreement still features a fully paid health insurance package, but the HMO option has been eliminated, some co-pays have gone up, and the prescription-drug benefit now includes mandatory generic and mail-order stipulations.

In addition to pay and benefit changes, the new contract includes modified policies with respect to employee scheduling and assignments. Some of the work-rules revisions include:

- Allow the commission to move collectors to new work locations depending on needs (thereby facilitating the ongoing reduction of the workforce through attrition).

- Enable expanded use of supplemental collectors, better allowing the Commission to meet demand during special events and thereby reduce overtime.

- Permit collectors to bid on changes to their shift and interchange (known as a “line selection”) more frequently, resulting in more efficient scheduling and reduction of complement.

- Authorize more flexibility in scheduling nighttime maintenance shifts to help control or reduce overtime costs.

“Overall, these changes help us operate in a much more cost-effective and professional manner,” said Brimmeier. “The scheduling flexibility is something we’ve been striving for to take full advantage of the economies of E-Zpass, to operate more efficiently and perform more like a business.”

Today, months after the strike’s finish, the Pennsylvania Turnpike’s chief executive has taken a philosophical view regarding the significance of the infamous seven-day “Pike Strike.” “The strike raised an awareness among the union members and leaders that our primary objective is to become a more efficient, safe and valued toll-road system,” Brimmeier concluded. “Though it proved costly to all participants – union members, management employees, and the Commission itself – the strike did have a certain coalescing effect. Adversity can either build character or shatter it, and in this case we built character. Whatever was lost in time and money will be repaid in a renewed focus on our organizational priorities and a fresh perspective for each of us as employees of the Commission, from bottom to top.”

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During the fall of 2004, after a year working under the terms of an expired contract, more than a few Teamsters Union members began to feel a sense of anticipation (and for some, anxiety and uncertainty) as the “outside chance” of a strike began to look more like a sure thing.

The decision to strike was, according to reports, a difficult one. “On one hand, they are grateful for their jobs, and they truly value their employer,” said an observer. “But on the other hand, they have this great, deep-rooted loyalty to the union.”

When the moment came, the union hierarchy notified members of the exact date and time of the strike; it was a well-coordinated effort during which a unified exodus occurred precisely at 4 a.m.

Many inside the union were nonetheless caught off guard by the action. “When we reported for picket duty that morning, everyone was stunned,” said one union member. “We had to sign in with the steward who was there, and then we were given picket signs. Everybody was wondering how long it would last.”

“I was shocked,” recalls another member, who learned of the strike only when she turned on the local television news that morning.

Prior to the strike, union members had been instructed to converge at preassigned interchanges. “On Strike” signs had been printed and distributed to stewards, and unionized toll collectors and maintenance workers were told by organizers to picket during their normal shifts.

Picketers showed up dressed for harsh weather, and many set up tents and burn barrels to battle the bitter late-November cold. Some constructed temporary shelters near Turnpike entrances.

Many of the union members who decided to cross the picket lines – perhaps as many as 70 – did so for economic reasons. “My family had to come first,” said a single mother who reported for work, adding that it was a decision she did not make without ample consideration.

There was little trouble on the picket lines, only a few isolated reports of minor incidents, mostly verbal sparring. Some big rigs would honk in a show of solidarity. Other truckers refused to enter the Turnpike altogether. Conversely, some motorists jeered, made disapproving gestures or shouted derogatory comments as they passed the picketers.

By the seventh day of the walkout, the sense of enthusiasm on the picket lines began to fade. “Everyone was tired of it. We all wanted to go back to work,” remembered a Teamster. “We felt, by then, that we had gotten our point across.” When the strike ended, their eagerness to return to their jobs helped ensure a swift and orderly transition to normal operations across the Pennsylvania Turnpike.

Some on the union side see the outcome as a victory for the Teamsters, despite a week of lost wages at a most inopportune time of year. The perception, according to several Teamsters interviewed, is that they won because, in the end, they will receive hourly wage increases totaling $1.60 over the life of the pact. Another plus for the union, they point out, is the solidarity the strike generated among its members.

“It definitely has helped bring us closer together as a group,” one Teamster concluded. “We did all stand together for what we believed in. Everybody on that picket line sacrificed something to be there. But sometimes, you have to give something up in order to get something else.”

Author’s note: The leaders of Teamsters Local 77 and Local 250 declined comment when contacted for this article.