**Headline:** How Workers Are Winning as the Nation Adds Jobs, Manufacturing

By David McCall

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**Source:** Independent Media Institute

**Credit Line:** *This article was produced by the* [*Independent Media Institute*](https://independentmediainstitute.org/)*.*

**Tags:** Labor, Economy, Politics, Opinion, North America/United States of America

**[Article Body:]**

John Ralston went into bargaining with Transco last fall intending to negotiate one of the strongest union contracts in his three decades with the company.

Carmakers urgently wanted to get new vehicles to market. The railroads needed to get more autoracks—enclosed rail cars used to transport vehicles—into service.

And Ralston said he and his co-workers, who maintain autoracks and other rail cars at a sprawling yard in Logansport, Indiana, had “more work than we could handle.”

He and other members of United Steelworkers (USW) Local 7-00007 ended up exceeding their expectations, winning wage increases of 24 percent over three and a half years along with important benefit enhancements.

It’s one more example of the significant gains that workers across the country are making as the nation continues to add jobs, invest in manufacturing, and meet the growing demand for products ranging from aluminum and [steel](https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/metals/030424-us-steel-industry-sees-boost-from-chips-act-infrastructure-bills) to [automobiles](https://www.coxautoinc.com/news/cox-automotive-forecast-april-2024-u-s-auto-sales-forecast/), [appliances](https://www.statista.com/outlook/cmo/household-appliances/united-states), and [many other kinds](https://www.bloomberg.com/news/articles/2024-04-15/us-retail-sales-exceed-forecast-and-prior-month-revised-higher) of goods.

“They knew they were going to have to offer a pretty substantial wage increase in order to hire more people and keep them there,” Ralston, the local’s recording secretary and a bargaining committee member, said of Transco management.

“I think they knew they were going to have to do something. They really want to add a second shift. They really want to expand our operations,” added Ralston, who repairs the air brake systems on rail cars.

The hiring buzz at Transco reflects a nationwide trend.

Employers created [15 million jobs](https://www.whitehouse.gov/briefing-room/statements-releases/2024/04/05/statement-from-president-joe-biden-on-the-march-jobs-report/), hundreds of thousands of them in manufacturing, over the past three and a half years. The nation added [another 272,000 jobs](https://www.washingtonpost.com/business/2024/06/07/may-jobs-unemployment/) in May alone, beating economists’ projections, and workers are benefiting with [strong wage gains that outpace](https://www.epi.org/blog/average-wages-have-surpassed-inflation-for-12-straight-months/#:~:text=Average%20hourly%20wage%20growth%20has,improve%20their%20standard%20of%20living.) the cost of living.

“The American middle class is seeing their economic standing improved. The strong wages and improving living standards are the main takeaway from this very strong jobs report,” Joe Brusuelas, chief economist at the accounting firm RSM US, [explained to](https://www.washingtonpost.com/business/2024/06/07/may-jobs-unemployment/) The Washington Post.

“The labor market remains tight, and firms have to compete and offer higher wages to attract and retain workers… This really is the best labor market since the 1950s,” he said.

Transco’s business depends on the fortunes of the [auto](https://www.foxbusiness.com/markets/gm-approves-new-6-billion-stock-buyback-strong-demand-gas-powered-vehicles) and [rail](https://www.prnewswire.com/news-releases/rail-freight-transportation-market-size-in-north-america-to-grow-by-usd-42-88-billion-between-2022-and-2027-growth-driven-by-low-transportation-cost-of-freight---technavio-301781448.html) industries. Both are thriving.

Automakers increased production to meet customer demand in the wake of the pandemic, only to see tens of thousands of vehicles [left stranded on factory lots last year](https://www.kbb.com/car-news/a-train-car-shortage-is-keeping-vehicles-out-of-dealerships/#:~:text=Automakers%20have%20about%2070%2C000%20brand,cars%20to%20ship%20them%20in.) amid a shortage of the autoracks needed to get them to dealerships. Car industry officials demanded more autoracks and the railroads [pledged to put thousands](https://www.trainorders.com/discussion/read.php?2,5812052) more into service this year.

While Ralston and several dozen colleagues maintain various kinds of rail cars, autoracks—cars with galvanized steel sides and two or three tiers for holding vehicles—account for the lion’s share of Transco’s business in Logansport.

He and his co-workers perform routine repairs, ensuring the autoracks meet safety standards, and overhaul cars severely damaged by derailments or other incidents. They also convert the three-level autoracks into the two-tier models increasingly needed to move the larger pickups and SUVs most popular with U.S. consumers.

The workers went into negotiations realizing that demand for their work gave them leverage they hadn’t enjoyed in previous years. Now, the new, stronger contract benefits all of Logansport, said Ralston, noting he and his colleagues have some of the best manufacturing jobs in town and support local businesses, schools, and other community essentials.

Dave Martin sees similar growth in the Ravenswood, West Virginia, area, where ongoing construction of a $3.1 billion [sheet steel mill](https://www.manufacturingdive.com/news/nucor-record-investment-2-7b-steel-mill-in-apple-grove-west-virginia/697588/#:~:text=The%20sustainable%20steel%20maker%20and,to%20eight%20million%20tons%20of) for Nucor and the development of a [factory and solar energy field](https://wvpublic.org/ravenswood-titanium-project-fuses-manufacturing-solar-power/) for titanium parts manufacturer Timet will [create thousands of production jobs](https://www.wvnews.com/news/wvnews/nucor-steel-to-employ-over-2000-workers-at-new-plant-in-apple-grove-preparations-underway/article_775f1aba-bfa4-11ee-a93c-d30ba8c2df35.html) in the coming years.

But the investments are already paying dividends right now, observed Martin, a longtime USW member who serves as [president](https://unionhall.aflcio.org/mason-jackson-roane-labor-council) of the Mason-Jackson-Roane Labor Council.

For example, USW-represented construction workers have a hand in the factory construction. And the burgeoning demand for factory workers already prompted another employer, Constellium, to significantly increase wages for USW Local 5668 members who make aluminum at the company’s Ravenswood plant.

“It’s benefited us a lot,” Martin said of the growing need for workers.

Union-backed legislation—including the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act, and the CHIPS and Science Act—unleashed customer demand and [sparked the need](https://www.manufacturingdive.com/news/nucor-record-investment-2-7b-steel-mill-in-apple-grove-west-virginia/697588/#:~:text=The%20sustainable%20steel%20maker%20and,to%20eight%20million%20tons%20of) for additional manufacturing capacity in the Ravenswood area.

The IIJA and Inflation Reduction Act also allocated [up to $75 million for upgrades](https://wvpublic.org/federal-grant-aims-to-decarbonize-ravenswood-aluminum-plant/) to the Constellium plant, creating additional production jobs and ensuring that facility’s future, said Martin.

“It’s a big transformation,” Martin said, referring to the local economy. “There’s not been this kind of potential for new jobs for quite a while.”

Like workers in many industries, the pandemic dealt a severe blow to John Martinez and his colleagues, members of USW Local 12-593 who make carbon fiber at Hexcel in Salt Lake City, Utah.

But Martinez, the USW unit chair, said the nation’s astonishing leap forward over the past three and a half years not only brought employment roaring back but enabled the union to negotiate a major mid-contract wage increase for new hires.

He said high demand for carbon fiber also enabled the company to expand from its traditional customer base—in the aerospace, defense, and recreational equipment industries—into new sectors like computers and car parts.

Even better, many other workers have similar opportunities to forge brighter futures, Martinez said, noting Texas Instruments last year announced an $11 billion investment in a [new semiconductor factory](https://governor.utah.gov/2023/02/15/media-release-texas-instruments-to-build-new-chip-factory-in-lehi-bringing-hundreds-of-jobs-to-the-state/) projected to create hundreds of manufacturing jobs near Salt Lake City.

“I feel the economy is in a really good spot,” he said.