

# United Steelworkers union agrees to concessions at US Steel

Bryan Dyne  
8 September 2012

United States Steel and the United Steelworkers union (USW) announced Sunday they had reached a tentative agreement that will affect 16,000 USW members. This would replace a four-year contract that expired Saturday, September 1. While details of the proposal were not made public, summaries have been posted on several Facebook pages of USW locals.

USW members are expected to get a copy of the contract proposal in about two weeks, and will then vote on whether to ratify the contract. Some locals have organized informational meetings.

There are 13,000 USW members who work for ArcelorMittal, whose contract also expired Saturday, but for whom the USW has reached no agreement. ArcelorMittal, the world's leading steel producer, is asking for deeper concessions than US Steel, claiming lower profits and stock prices due to the crisis in Europe. The union is clearly collaborating with the company to impose whatever wages and working conditions it thinks the global market requires.

Reporters for the *World Socialist Web Site* spoke to workers outside of US Steel's Edgar Thompson plant in Braddock, Pennsylvania, a neighborhood that has been blighted by deindustrialization. The plant currently has about 600 steel workers and 100 contract workers.

The reporting team, which included Socialist Equality Party vice presidential candidate Phyllis Scherrer, discussed the new September 2 labor contract between the USW and US Steel. "We're all really thankful that we have a job, but we know it's getting worse," said a worker who asked to remain anonymous. "The starting wage here is \$22 per hour plus overtime, which is a lot better than what they have in the McKeesport plastic plant that you reported on. The \$7.75 per hour they make is nothing."

When asked about the plans for retirees in the next contract, the worker responded, "This will affect me. I'm about to retire. The health care plan right now is \$175 per month for a single person. That's going up by \$20. The plan for a married couple is \$350 right now and that's going up \$40 a month. That's going to hurt a lot of retirees."

"I'm not for Obama," he said, when asked about the current election cycle. "His health care bill is taking away health care from those that deserve it. Obama also bailed out the bankers and the auto industry. That's just giving trillions of dollars out to corporations and people who don't deserve it. Now, I'm not saying we shouldn't help the auto workers. I absolutely think we should, but no money should have been given to the heads of those companies."

He added, "I think there are a lot of people just laying about doing nothing. I'm not sure that I want welfare to go to them." When WSWs reporters explained that most of these people are out of work involuntarily because of the poor economic situation imposed on them by the political establishment, the worker reconsidered his position. "That is true. They are laying about, but the real problem are the big business politicians that cause it."

The worker then commented on the power the workers at the steel plant had over production. "If we all stopped working, the factory would be worthless. The management and any scabs they bring in wouldn't be able to keep the place running. They'd produce a bunch of scrap." The WSWs team explained that the same situation occurred at the Caterpillar plant in Joliet, Illinois, where scabs were able to produce only sub-par products. "This is why I agree with when you say workers should control society. We're the ones that actually know how things are run," he said.

“Something else which you should know about,” he continued, “is that ArcelorMittal, the other big steel company in the area, is pushing for a two-tier wage system.” Under what ArcelorMittal is proposing, the newest workers would have lower pay and no pension plan. “This is why they don’t have a contract right now. The contract for ArcelorMittal workers expired midnight Saturday, September 1, just like ours did.”

Pinky Smith, a contract worker at the Edgar Thompson plant, discussed the hardships of contract work. “I mostly get work if they need me, and that’s only for a few weeks. Most of the contractors are used to that. You work for two weeks and then get laid off. They just laid off six contractors. The pay is ok, but it isn’t steady enough to be really comfortable.”

Smith commented on the general social situation: “It’s bad, especially for young guys. I’m lucky that I *might* have a pension when I retire and some money saved up. Young guys won’t have anything and will be working all their lives.

“Food and gas are also bad. They tell us the price of gas will go up because of the hurricane. It’s not as bad as they predict, but the price never comes down. These prices keep going up, but the wages stay the same. How are people supposed to live on something like this?”

Other workers leaving the mill disagreed that the contract was the best option possible. Many declined to give interviews for fear of reprisal from the union and management. However, workers’ comments on the USW Local 1013 blog out of Alabama give an indication of the mood of workers. Darryl Carpenter commented, “we are people and should be heard and respected ... we make this company a lot of money ... and deserve our fair share....”

Another worker calling himself “strike, strike, strike” responded, “Let them lock us out. They can’t run without us!! We need more!!!!”

Despite the attempt by the union to browbeat Darryl and others into accepting the contract, workers rallied to his defense on the blog. David told fellow workers, “I’m with Darryl on this one!! What’s 2%? Maybe .50 an hour? Then a year later another .65. That’s a slap in the face if you ask me. Bonuses, \$2000.00 signing take home maybe \$1000.00 after tax and the \$500 is a joke!! Take home maybe \$250.

sugar coat it with the health insurance issue!! Do you realize that John Surma [CEO of US Steel] got an \$8,600,000.00 raise last year? That’s just a RAISE, not what he was already making. Just saying and I understand that he is in a different position, but I think we could do better than \$1.15 raise over the next THREE YEARS!!” There is also widespread concern about the promise to not throw retirees ‘under the bus.’”

It is clear that workers want to unite their struggles and fight against the attacks on their wages and benefits, and those of retirees. However, no such struggle is possible within the constraints of the trade unions—organizations that protect the “right” of the fabulously wealthy to exploit the labor of countless workers, anywhere in the world, for their own profit.



To contact the WSWWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**

“They are pulling the wool over our eyes by trying to