

Pittsburgh-based steel manufacturer locks out 2,200 workers

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Pittsburgh-based specialty steel manufacturer Allegheny Technologies Incorporated (ATI) locked out some 2,200 workers at 12 facilities in six states Saturday evening. ATI announced the lockout Friday, after United Steelworkers (USW) negotiators failed to bring ATI's August 6 "last, best offer" to the membership for a vote.

About 1,100 of the affected workers are in western Pennsylvania. The remaining 1,100 workers are employed at plants in Connecticut, Massachusetts, Ohio, Oregon and New York. Prior to the lockout, the union had agreed to continue working under the terms of the old contract after it expired June 30.

ATI is demanding increased out-of-pocket health care costs, more permissive subcontracting rules, increased company discretion in scheduling, and a reduction in benefits, including the elimination of defined-benefit pensions for workers hired after June 30, 2015. ATI had previously called for the outright abolition of both the guaranteed 40-hour workweek and overtime pay after eight hours of work, but has since apparently dropped this demand.

With this lockout, the steel industry aims to make an example of the ATI workers in the longtime steel capital of the US and location of the USW's world headquarters. This is the first steel mill lockout in Western Pennsylvania since 2008, and the first open labor dispute at ATI since a 10-week strike in 1994. The industry aims to establish a precedent for further cuts to wages and living standards, particularly for 30,000 workers at US Steel and ArcelorMittal, whose contract expires September 1.

In addition, contracts for 39,000 Verizon and AT&T workers have already expired, and contracts for 140,000 auto workers are set to expire within the next month.

ATI's focus on health care cuts is motivated in part by the preparation for the so-called Cadillac Tax, which comes into effect in 2018. This measure, part of the Obama administration's Affordable Care Act, requires employers to pay a 40 percent tax on health plans that are above \$10,200 per individual and \$27,500 for family coverage. ATI has proposed monthly premium contributions starting at \$125 a month and increasing to \$215 by the end of the four-year contract, coupled with higher deductibles and out-of-pocket maximums.

From the beginning, ATI, which made over \$250 million in profits in 2014, had no intention of conducting negotiations in good faith. The company has been preparing this counteroffensive for months, contracting strikebreakers and private security firms that specialize in labor disputes.

The USW negotiators on the other hand, have spent the last three months of negotiations begging ATI to accept the tens of millions of dollars in concessions they have offered. The USW's webpage boasts that their negotiators have consistently offered ATI millions of dollars in concessions, including an August 4 proposal that contained "tens of millions of dollars in savings on benefits costs."

In the wake of the lockout, which the USW fully expected, the union is working to sow confusion and demoralization among the workers. The night the lockout was announced the affected USW locals held emergency meetings at which workers were instructed to apply for unemployment benefits. The USW strike fund, which was not used during this year's six-week strike of USW-represented oil refinery workers, will remain untouched.

Despite these attempts, workers are ready to fight in defense of the hard-won gains of the past. The WSWS spoke with ATI workers at a picket line in

Brackenridge, PA, where picketing workers received enthusiastic support from community members.

Tim Rapp, who retired after working at the Brackenridge plant for 35 years as a crane repairman, spoke with the WSWS about decades of concessions and cutbacks at ATI.

“When I started back in ‘78, there were a couple of thousand workers at this plant, now there are only about six hundred. The last two contracts [in 2008 and 2011] were concessions contracts. They said we would remain here [with jobs from a \$1.3bn facility upgrade]. These guys paid with blood and sweat.”

“You make a decent living here, but you don’t get rich, and you’re working 6-7 days a week.

“I gave up a lot of family time. You don’t go to church Sunday because you’re scheduled to work. For 35 years, I never known what my schedule was going to look like for the next week until Thursday or Friday. You couldn’t plan unless you took a vacation. My family went down to Michigan on vacation, they came down [to the plant] and I had to kiss them through the fence.

“This place is dangerous. Six or eight people died in there when I was on the job.

“If they get away with this [concessions contract] with steelworkers, they can do this anywhere. When Reagan locked the Air Traffic Controllers out of the airports during the PATCO strike, the whole country should have gone out.”

Speaking of the history of working class militancy in the region, Rapp pointed out that “Fannie Sellins [a trade union militant in the early 1900s] was killed right here on the hill. They knocked her down and shot her in the back of the head”

“The union, they’ve bent over backward,” said Rapp. During construction of a \$1.3 billion upgrade to the plant, “The company did whatever they wanted, they brought in non-union guys.

The WSWS spoke with Milton Pitts, a maintenance worker with 27 years' experience at ATI. “My base rate might be like \$25 an hour,” he said. “I might make \$7 more for my incentive [based on the amount of steel produced]. I made almost \$180,000 last year, so you can imagine how much time I put in here, way over 4000 hours [per year].

“One of the reasons is because there is a hole in manpower in the plant, I’ll fill it so they don’t say that

they don’t need as many people on a crew. They started what’s called cross training. For example, as a maintenance worker, I can get trained to do welding. I usually maintain the machinery, such as the cranes. So, once I am trained and can run a bead that is supposed to mean that I am a welder. If there is a beam that needs to be welded and there is no one else available they won’t call someone else in, they’ll tell me to weld it. If I object they tell me that I’ve been trained. If the beam that I weld doesn’t hold and it becomes a safety issue they say, ‘Your weld should have held!’”

Cheryl Kanzic, a crane operator with 20 years experience, also spoke with the WSWS. “There was a guy who died over two years ago. Killed himself, supposedly, fell on some scissors. They hid it. There have been guys that have died before they punched out on the day of retirement, and their family had to fight to get anything at all.”

“I am a third generation steelworker,” Cheryl told the WSWS, “My grandpa told me stories about how he used to stand in line to get picked. Just like they’re doing now with the immigrant workers. And they want to take that all back. They want to make you work all those hours and no overtime. My grandfather, and other people’s grandfathers and fathers worked here, put into that. And now they don’t even want to pay us the same wages.”

Milton added “Allegheny-Ludlam [ATI] will spend a million dollars to keep us from making 50 cents.”



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