

Allegheny Technologies Inc. lockout enters fourth week

Evan Winters
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The lockout of 2,200 steelworkers at Allegheny Technologies Inc. (ATI) at 12 mills in six states has entered its fourth week. ATI announced the lockout August 14 after the United Steelworkers (USW) union ordered its members to continue to work past the June 30 contract deadline, allowing the company to stockpile steel and make preparations for the lockout. The company also rebuffed USW offers of tens of millions of dollars in concessions.

ATI and the USW are scheduled to meet on September 11 for the first time since the lockout began. Talks will be held under the auspices of the Federal Mediation and Conciliation Service. There is no indication that ATI has changed its hardline stance.

The USW is continuing to isolate the workers at ATI, having ordered 30,000 steelworkers at US Steel and ArcelorMittal to remain on the job after their contract expired on September 1. These workers could very well face the same fate as the ATI workers but the USW is deliberately sabotaging any united struggle against the coordinated attack by the steel bosses.

Mark Spiering, with four-and-a-half years at the Vandergrift Mill, said, "All the steel companies are backing ATI. Our contract was up first and they want to make an example out of us. The company is putting ads in papers, Craigslist, local newspapers for people to take our jobs. They are trying to take from us all the things that people have struggled for."

ATI is demanding steep increases in out-of-pocket health care expenses and the elimination of pensions for new hires, essentially creating a two-tier wage and benefit system. In addition, ATI wants to expand the use of outside contractors to as much as 40 percent of its workforce, and impose work rule changes that would essentially turn workers into casual laborers, with irregular and unpredictable shift times, less access

to overtime pay and worse working conditions.

Workers have not yet received unemployment benefits, which they are entitled to in a lockout. This likely means that ATI is challenging their right to receive unemployment benefits.

Workers also have not yet received any strike pay from the USW's \$350 million strike fund. USW's stated policy is to distribute a meager \$200 per locked out worker per week to union locals. Locals then distribute the funds as they see fit. Local union officials can withhold funds as a means of disciplining militant workers.

In preparation for the lockout, ATI imported a scab workforce from Minnesota-based strikebreaking contractor Strom Engineering, guarded by a small army of private security forces. White vans full of scabs have become a common sight on ATI picket lines, ferrying strikebreakers to and from ATI steel mills. Strom is also reportedly hiring strikebreakers in northwest Indiana, the largest concentration of ArcelorMittal and US Steel in the country.

Strom Engineering, an outgrowth of Minnetonka-based labor contracting firm Strom Minnesota, specializes in supplying high-skilled replacement workers for strikes and lockouts. Strom claims to recruit from a pool of over 30,000 workers, up from 10,000 in 2013. The company brings in \$50-100 million per year and has 250-499 permanent employees, up from 23 in 2013, according to sales intelligence company lead411.com.

Over its 24 years of existence, Strom Engineering has provided strikebreakers for auto, aerospace, manufacturing, mining, metals, logistics and utilities companies.

In a 2013 interview, Strom Engineering CEO John Radick explained he primarily recruits those in their

late 20s “with good experience but they’re the low man on the totem pole in terms of job security or seniority, or a victim of the economy,” and people in their late 50s and early 60s. “There are a lot of early retirees out there who don’t want to be retired. With these jobs, they get to go out and be a valuable, seasoned veteran of a manufacturing operation. It’s rewarding, pays well, and they get a lot of respect in interesting jobs.”

Radick added, “Typically, our people work a lot of overtime. They do that, eat, take care of their laundry and other things, and don’t really have a great amount of free time” while working their temporary assignments. Job listings for Strom Engineering call for schedules of up to 84 hours per week.

ATI claims to have restarted production at its western Pennsylvania mills, but it is unclear at what level. Workers at the mill in Leechburg report seeing seven vans of scabs entering the mill each morning. The company is claiming they have 80 people working. The pickets counted 24 people inside the vans and say they use seven vans to make it look like more. But, workers say, it could be more since the windows are darkened and people could be ducking down to not be seen.

A security guard told pickets the company has gotten all the lines inside the plant running, but they don’t know if that is true or the quality of the steel that they are producing. They say they had between one and three months of steel stockpiled when they were locked out.

Tom Mayernik, with almost 10 years seniority, told the WSWS, “When you read the Strom Engineering web site they give the impression that they have a work force ready to go. But they are hiring people as fast as they can to fill our jobs. I understand they have a \$10 million contract with ATI to bring in workers for six weeks. That should end in a couple of weeks. I am not sure what will happen after that.

“ATI wants to cut our health care. They want to contract out our work. They say it is non-production work, but that makes up 40 percent of our work force. ATI also wants to hire new people with a 401k pension, and a health plan that is lumped in the salary employees. They want a two-tier wage system where basically we will be working side-by-side doing the same thing but one guy will be making a lot less.

“When they built the new plant in Brackenridge, they got a deal that they didn’t have to pay local taxes and

didn’t have to pay school taxes for 10 years. They were given all kinds of easements and right-of-ways to extend that plant. They did that on the promise that they would keep 1,175 jobs there. They have already cut a lot of jobs and now they are forcing us all out. I haven’t heard anything in support of us from the local politicians who made that deal. I’ve written to my congressmen and our representative but they have not said anything.

“The media has portrayed us as well off, but they don’t report how many hours we have to work or what we have given up in our family life for this job.”

ATI recognizes its extremely provocative actions will go unchallenged by the USW. On August 29, a white van carrying scabs struck picketing ATI worker Jim Dietz outside the mill in Brackenridge, sending him to the hospital. The USW has yet to make a statement, correctly fearing reports of violence against workers could spark an outpouring of support from workers and community members in western Pennsylvania and across the country.

Ralph Schultz, a maintenance tech at the ATI Vandergrift mill, questioned whether the mill was operating. “They’re saying it’s operating, but I know there’s supposed to be smoke coming out of certain stacks, and there isn’t. But they’re bringing people in, taking people out.”

“I’ve been a union worker since I was out of high school. I worked at Eljer at one time. They basically sold out to Sun Capital. We had a union president who signed a contract for us even though the rest of us voted it down. Six months later he was working for the company.”



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