

As Allegheny Technologies lockout enters fifth week

# ArcelorMittal walks out of negotiations with USW

**Evan Winters**  
**14 September 2015**

ArcelorMittal USA, one of North America's largest steelmakers, walked out of negotiations with the United Steelworkers (USW) on Saturday. The maneuver came one day after US Steel made clear its determination to extract massive concessions from its workforce.

The contracts of over 30,000 steelworkers represented by the USW expired on September 1. Despite this, the USW has ordered workers at ArcelorMittal and US Steel to continue working, leaving the company to decide whether and when to lock out its workforce.

According to a statement issued by the union, USW negotiators had submitted to ArcelorMittal a proposal which would have saved the company "millions of dollars in expenses and liabilities."

The statement also outlined the role that the USW played in forcing through concessions which enabled ArcelorMittal as well as US Steel to profit from the bankruptcy of 50 steel manufacturers during the downturn in the steel industry more than a decade ago.

"It seems management has forgotten that without our hard work and dedication, none of these facilities would have survived the industry crisis from 1998-2002, when 50 steel companies went bankrupt – including almost all of our previous employers," the union wrote.

What the USW means by "hard work" is their role in suppressing the class struggle as they pushed through massive concessions, especially the elimination of health care and the cutting of pensions for tens of thousands of retired workers at LTV, Bethlehem, Republic, and National Steel to name just a few.

While workers at ArcelorMittal and US Steel continue to work without a contract the lockout of 2,200 workers at Allegheny Technologies Inc. (ATI) at twelve mills in six states has entered its fifth week. ATI locked out the workers on August 15 after the USW ordered its members

to continue to work past their June 30 contract deadline.

USW and ATI representatives met Friday and Saturday with Federal Mediation and Conciliation Services. According to the USW website, ATI rejected the union's offer, which contains the tens of millions of dollars of concessions they offered before the lockout, and held to its previous "last, best, and final offer."

ATI is demanding steep increases in out-of-pocket health care expenses and the elimination of employer-paid pensions for new hires, creating a two-tier wage and benefits system. In addition, ATI wants to vastly expand the use of outside contractors, and impose work rule changes that would essentially turn workers into casual laborers. US Steel and ArcelorMittal are making similarly harsh demands.

The steel companies see no incentive to compromise because they recognize that the USW is doing everything it can to undermine a militant, united struggle of steelworkers.

ATI is currently running its facilities with a scab labor force hired from Strom Engineering, backed up with a small army of private security guards. The company has been extremely aggressive in its deployment of these strikebreaking forces against picketing workers.

Locked out workers have reported multiple instances of intimidation and violence by scabs. In one instance a truck driver reportedly brandished a gun and aimed it at an ATI picket line. Workers have been hit by strikebreaking vehicles at least three times. One worker's foot was run over while another worker was hit by a side rear-view mirror.

In the most ominous case of scab violence against workers, steelworker James F. Dietz, 61, was struck by a van carrying scabs out of ATI's Brackenridge facility on August 29. Instead of arresting the driver, the police cited

Dietz for “intentionally and recklessly” obstructing a public passage, and placing “himself and others in danger of bodily injury.”

If a district judge upholds this citation, Dietz could be fined, and could face disciplinary action at ATI. In other words, effective picketing has essentially been outlawed, and scab drivers have a green light to physically attack picketing workers who refuse to step aside.

The USW’s response to these egregious attacks on its membership has been complete silence. Two weeks on, the USW has yet to make any public statement in defense of Dietz. Many picketing workers are still unaware of this incident, and if they are aware it is only through word of mouth or social media. Such inaction by the union serves only to embolden the company’s attacks.

The WSWs recently interviewed Jim Farabough and Justin Claypool, two maintenance workers at ATI’s Bagdad plant in Leechburg, PA about the ongoing lockout and their opposition to the company’s demands for concessions.

Farabough, a maintenance worker with twenty-three years, told the WSWs about the harassment locked out workers have faced. “Somebody got their foot run over (bruised). A Vandergrift guy got hit by a mirror. It sounds like the 1920s. That’s what scares me. It sounds like we’re going back to the 1920s, if they get everything they want.”

“If you use it, this insurance package is going to cost between ten and eleven thousand a year. They want to farm out the maintenance work, that’s our jobs. That means half of us,” Farabough stated.

“They want to get rid of all non-core items,” Claypool, a maintenance worker with four years in the plant, stated, continuing, “One of the other things they want to take away is the guaranteed 40-hour work week.”

“There was also language in there [the contract] that they did not want to guarantee that the Bagdad plant would stay open,” Farabough added. “They were talking about phasing it out. And there’s a market for that steel, there are only two companies that make grain-oriented steel in the United States.”

In August, ATI terminated health benefits for 95 office and technical workers. The USW has filed a federal complaint claiming that this is in breach of the contractual November 30 “lag date.” The remaining workers are left wondering if and when their healthcare will be terminated.

“We were told once our healthcare gets cut, we would have a written letter saying it was cut, Claypool said.

“From what I understand, they would send it out the month before it would get cut. I haven’t gotten one.”

“I can’t see them hurting,” Farabough said of ATI, “they’ve stocked up so many coils. Actually they paid us to make these coils. Last quarter they showed an \$18 million loss. \$1 billion in sales and an \$18 million loss. Now they have all these coils that they didn’t make, and they’re telling everybody they’re putting out the same production, but it was stuff we made.”

Bill Ostach, a maintenance worker at ATI stressed the importance of fighting for the next generation of workers. “ATI wants to go back to the 1920s. They want to take away everything the union has fought for. That they want a two-tier pension. They don’t want to have a defined pension for new guys. We’ve got to fight that. My kids might work here. Your kids might work here.”

Ostach also spoke of decades of concessions contracts imposed by the USW in collaboration with ATI. “It happened in the 80s, they wanted to put a new operation in the West Leechburgh 46 line. It happened the last two contracts where they put this new hot strip mill in Brackenridge. They changed a lot of the work rules. In my opinion, this made the workplace a lot more dangerous.”

Speaking of the white Strom Engineering vans that carry scabs, Bill said, “I personally have seen as many as six in my turn of four hours. The union has told us ‘do not block traffic, do not cause a confrontation.’”

Another worker at the Bagdad mill in Leechburg, who asked that his name not be used, commented on the significance of the ATI steelworkers struggle, stating, “I would say that everyone is looking at this, steel, but all manufacturing around the country. They don’t want a contract, they don’t want a 40-hour week, they want us to be like day laborers. Hire us when they want and not when they don’t need us. They want to take back the things we have gained and if they can do it here they will continue to do it elsewhere.”



To contact the WSWs and the  
Socialist Equality Party visit:

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