

Lockout of US steelworkers at ATI enters sixth week

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The lockout of 2,200 steelworkers by Allegheny Technologies Inc. (ATI) at 12 mills in six states has entered its sixth week. ATI locked out workers on August 14 after rebuffing offers by the United Steelworkers (USW) union to hand over tens of millions of dollars in concessions, and after the USW ordered its members to continue to work past the June 30 contract deadline.

ATI spent months preparing for the lockout, using forced overtime to build a stockpile of steel. Before locking its workforce out, ATI brought in a small army of private security contractors and hired the strikebreaking firm Strom Engineering to recruit scabs. Workers report signs of limited production of unknown quality, but key signs of full operation, such as smoke from certain chimneys, are missing.

At the ATI mill in Washington, Pennsylvania, Strom Engineering scabs can be seen moving steel slabs back and forth around the facility. It is unclear whether the scab workforce has succeeded in producing new steel, or if the apparent activity within the mill is just for show. Either way, the company, which has not changed its demands since the lockout began, is clearly making preparations to fully operate its facilities with replacement labor, even if it has not yet succeeded.

To recruit strikebreakers, ATI is taking advantage of high unemployment in the area. Strom Engineering draws a large number of recruits from impoverished areas of the southern US, as well as desperate laid-off mid-career industrial workers.

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. The company also wants to impose work rule changes that would essentially turn workers into casual laborers. In addition, ATI wants to

vastly expand the use of outside contractors as a lower paid tier of expendable workers.

At the most recent bargaining meeting between ATI and the USW, held through federal mediators September 11-12, the ATI maintained its hardline stand, sticking to its previous “last, best, and final offer.”

ATI sees no incentive to negotiate because it recognizes that the USW is doing everything it can to isolate and sabotage the struggles of steelworkers. Despite a September 1 contract expiration, the USW has ordered 30,000 US Steel and ArcelorMittal workers to continue working. Both companies are currently stockpiling steel in preparation for a possible lockout.

In accordance with USW national policy, USW locals are receiving \$200 per week per locked out worker, after four weeks without strike pay. The locals are distributing strike pay as they see fit, on a case-by-case basis, giving the USW the ability to cut off aid to discipline militant workers.

Workers in Pennsylvania are also receiving the state maximum unemployment benefits, which amounts to about \$500 per week.

The WSWS spoke to workers at the ATI facility in Vandergrift, Pennsylvania.

“I’m here supporting the cause of locked out workers,” said Luke, a locked out worker with 10 years at ATI. “What I’m most concerned about is the long-term health agreement. It’s going from \$300-600 a year per family to as much as \$10,000 a year.”

“I’m in bundle packaging now, and I’ve worked in Bagdad [ATI] running cranes. The majority, seven of the ten years, are over here [in Vandergrift]. My dad actually worked here. He retired on disability from heart problems. My uncles that worked in Braddock, Edgar Thomson, they’ve long moved on.”

Speaking of the USW-controlled retiree health fund, a Voluntary Employees' Beneficiary Association, Luke continued "We were told that it would be out of money by the end of 2016. The USW are not saying what will happen to retiree health care afterward. There was a lot of money that went in there that ended up somewhere."

The USW has encouraged locked-out ATI workers to take other jobs during the lockout. When asked whether workers were indeed taking other jobs, Luke responded, "I have no clue. It's on an individual's need, I guess. I have not. I have no intention to. This is my job, it was my job, and it will be my job until I retire. Unless the company says otherwise, I have no plan on leaving."

Don Small, with eight years' service, said, "I am here fighting not just for myself, but for the retired workers and those that haven't been hired yet. The retired workers need health care, and you can't let the company cut the benefits for the new workers or they won't fight for us when we retire."



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