

# Steelworkers' union may cut strike pay for 2,200 locked-out workers

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Two locked-out Allegheny Technologies Inc. (ATI) workers independently report that the United Steelworkers union (USW) is considering a plan to cut their already grossly inadequate strike pay, supposedly to prepare for a “real struggle” at US Steel and ArcelorMittal.

The USW is deliberately isolating and betraying the 2,200 ATI specialty steelworkers, who have been locked out for more than 12 weeks on lockout. Far from shifting resources to defend the 30,000 steelworkers at ArcelorMittal and US Steel, the USW wants to starve the ATI workers into submission and use them as an example of what will happen to any section of workers who resist the steel bosses and the USW.

One ATI Vandergrift worker told the WSW, “We ran into a couple of international representatives. They were talking about our strike and defense fund, and they were saying they wanted to lower that to save for US Steel and ArcelorMittal. That made me really angry. I’ve paid the USW International for 21 years, and I’ve never been paid a dime out for anything. Why are they worried about this? Is there not enough money there? If not, why?”

Another Vandergrift worker, interviewed separately, confirmed this. “I heard that too, through word of mouth.” He went on to explain that the current strike pay is inadequate. “Right now we only get \$100 a week. That covers your grocery bill if you’re lucky. We’re told we’re allotted \$200, and we only get \$100.”

The USW is sitting on a \$350 million international strike and defense fund. It is paying half the weekly allotment, with locals supposedly holding the other \$100 for “emergencies.” At present, workers are relying on unemployment checks of about \$500 a week. Both unemployment and strike pay did not become available until nearly one month into the lockout. Unemployment benefits are scheduled to expire in mid-February. As temperatures drop and the holidays approach, workers will face increasing financial hardships.

ATI has threatened to terminate workers’ health care on November 30. Alternative health care options are either

exorbitantly expensive, or of inferior quality. Workers report that COBRA plans, which provide coverage comparable to present levels, cost as much as \$1,800 per month for a family, almost an entire month’s unemployment check. The USW offers a low-cost “major medical” plan that covers emergency care, but little else, leaving workers to pay out of pocket for medication and routine medical care.

Since ATI announced the lockout on August 14, it has intransigently stuck to the demands contained in its “last, best, and final offer.” This includes sharp increases in out-of-pocket health care costs, amounting to thousands or tens of thousands of dollars per year per family. New hires face steep cuts in benefits, including the elimination of defined-benefit pensions. Proposed scheduling and contract rules allow up to 40 percent of jobs to be contracted out, while remaining full-time workers face both 12-hour shifts with no overtime pay, and no guarantee of at least eight hours of work per workday.

The USW has worked systematically to isolate locked-out ATI workers. Even though the ATI is closely coordinating its attacks with the major steel producers, the USW has ordered US Steel and ArcelorMittal workers to labor without contracts since their agreements expired September 1.

The USW is isolating ATI workers, as well as 450 workers at Sherwin Alumina in Gregory, Texas, who have been locked out for more than a year, in order to prevent any unified struggle against the steel companies. Such a struggle would disrupt the lucrative relations between the USW and the steel companies and raise the possibility of linking up 140,000 autoworkers who are also involved in a battle against stagnating wages and attacks on their health care and pension benefits.

The USW, like the United Auto Workers (UAW), is closely allied with the Obama administration, which has made the slashing of wages and the shifting of health care and pension costs onto the backs of workers the centerpiece of its economic policy.

The USW’s strategy of waiting “one day longer” has proven to be a disaster for workers, giving the companies

free rein to build up product stockpiles or lock workers out at their convenience.

The day ATI initiated the lockout, it brought in strikebreaking contractor Strom Engineering and a small army of security guards. ATI reports limited production at its facilities, but continues its efforts to operate with a scab workforce. Despite posting a \$150 million third-quarter loss, \$50 million of which ATI attributed to the lockout, ATI remains intransigent in negotiations. The company sees these expenses as a down payment on its aim to establish a cheaper, more exploitable labor force.

The USW is attempting to prove to the companies that relying on the USW is the best way to lower labor costs. With every action, from virulent economic nationalism and trade lawsuits against imported steel to betrayed labor struggles, the USW aims to ensure that US companies remain “competitive” with their international rivals.

The WSWs spoke with locked-out workers from the ATI Vandergrift plant in western Pennsylvania. Carl spoke of the toll the lockout has taken: “The morale of the guys seems to be getting worse. The workers are getting more uptight, more stressed out. I can’t foresee what’s going to happen. They’re tired of dealing with ATI.

“There’s nothing going on anywhere. We have CAT [communication and action] teams that are supposed to report back from the union to the membership, but there’s nothing to report.

“The biggest fear is we’ve been out all this time. We don’t want the International to turn around and hand us the same proposal and say we should settle with it.”

Carl noted the changed role of the unions: “The unions have changed. The USW and the UAW, things have changed from the way they were in the past. A lot of it is globalization.

“They do have a direct interest in working with the company. ICD [Institute for Career Development], that’s directly funded by ATI for the union. The International ICD is based in Gary, Indiana, with ATI management people who were in charge of running it. It’s still in line with the company.”

Speaking about the autoworkers’ struggle, Carl continued, “My brother is at a Chrysler plant in Indiana. The one thing that bothered him more than anything was that the new hires never reach the wage rate that their grandfathers did.”

Charles, with 41 years, expressed the frustration workers are feeling. “Our unemployment is good until the end of February. There may be extensions, we don’t know. We have some insurance through the union but it that’s not good enough. We’re frustrated. We’re all ready for this to be over.”

Charles continued: “They brought replacement workers in.

They’ve got management working 12-hour shifts. This company was always based on safety first. When Allegheny Ludlum became ATI, it seems like a new group of people came in. It’s not the same company it used to be.”

After a WSWS reporter pointed out that the USW was isolating and betraying ATI workers as a warning to US Steel and ArcelorMittal workers, Charles remarked, “We always felt like US Steel was a few weeks behind us. We always thought that US Steel has got their eyes on ATI’s contract. Now that you’ve said that, it’s probably both sides [the USW and the companies] making an example of us. We hope that us staying out here has an effect.”

Keith has worked nine years as a splitter at ATI’s Bagdad mill. He spoke to the WSWS while picketing at ATI’s mill in Vandergrift, Pennsylvania. “We are getting a lot of support from the community. I expect that ATI is waiting for the medical and unemployment to run out, and then people will be hurting.

“I have two kids, and my wife has another. We are lucky that the state is paying their health insurance. There are other guys who will have to go on CORBA, which is very expensive. I have little kids. Christmas is a big thing. I saw this coming, so I saved up, and I am very lucky that my parents can help as well.

“There are bosses here, they come rolling in with their windows down and music playing, like they don’t have a care. They are just trying to rub this in our faces. The whole town is hurting. There are a lot of business that depend upon our paychecks.

“I worked at the Bagdad mill, they did not have a lot of customers. This is already not a thriving time for our steel, and if the quality goes down, those customers are going to go elsewhere. How long will it be before those customers just walk away?

“I think behind this is corporate greed. They want to destroy middle class jobs. Look at the minimum wage. You can’t live on that. There are just a few good jobs anymore, and they want to destroy that. If you go online, you are lucky if you find a job paying \$15 an hour and insurance. Pensions are a thing of the past. It is the whole system.”



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