

# Steelworkers union begins counting ballots in sellout contract at US Steel

Evan Winters  
30 January 2016

The United Steelworkers Union (USW) will begin counting mailed-in ballots from 18,000 US Steel (USS) workers on February 1. The contract, about which almost no information has been made public, is another major attack on wages and benefits of steelworkers.

The USW is deliberately working to prevent discussion and keep workers in the dark. It has not released a full or summarized version of the contract to the public. On January 10, the USW mailed workers summaries of the contract changes since 2012, along with their ballots. All voting is to be done by mail to ensure workers are as isolated as possible during the voting process.

The little information available about the contract demonstrates its deeply anti-worker character. According to the *Pittsburgh Post-Gazette*, “The proposal keeps wages at the same level [a three-year wage freeze], offers no signing bonus, and proposes changes in health care, eliminating retiree health care benefits for workers hired after January 1. Instead of the coverage, they would get a 50-cent contribution to their 401(k) plan for each hour they worked.” The contract also includes increased health care co-pays for current workers.

The only “gains” the USW can refer to are a profit-sharing arrangement and an agreement by US Steel to restore benefits to any laid-off workers it decides to rehire. Given the massive downturn in the international steel industry, these so-called concessions are essentially worthless.

Through the contract “negotiations,” the USW has revealed itself again as an agent of management, aiming to help US Steel and the steel industry remain profitable by destroying the jobs, wages and benefits of steelworkers.

An agreement at US Steel further isolates the 2,200

steelworkers at Allegheny Technologies Inc. (ATI) workers who have been locked out since for nearly six months and the 450 steelworkers at Sherwin Alumina who have been locked out since October 2014. It also further isolates the 13,500 steelworkers at ArcelorMittal and the 2,500 steelworkers at Cliffs Natural Resources who have been working without a contract since September.

ATI is demanding sweeping concessions on pensions and health care, especially for new hires, and changes in contracting and work rules that essentially reduce the workforce to “on call” laborers. The USW has condemned ATI workers to isolation as a warning to other steelworkers workers of what would happen if they walked out.

The global market for steel, like the market for oil and many other commodities, is in a deep slump. With a slowdown in steel demand in China, by far the world’s largest producer and consumer of steel, global steel prices have fallen by more than 40 percent. China is estimated to produce half of the world’s 1.6 billion metric tons of steel per year. With falling domestic demand, Chinese steel exports have risen to 100 million metric tons per year.

Low prices and weak demand are driving steelmakers the world over to slash jobs and cut production. Over the past two years, UK steelmakers cut more than 4,000 jobs through layoffs and plant closures at Tata Steel, SSI and Sheffield Steel. Today, the UK steel industry employs only 20,000 workers.

Australian steelmaker BlueScope is threatening to close its Port Kembla mill, employing over 4,000 people, in an effort to slash 500 jobs and freeze wages. Bluescope is threatening to entirely shut down operations in New Zealand, ending all steel production in that country. In all of these cases, the unions respond

by offering to impose concessions on steelworkers and issuing chauvinist appeals for trade protection.

The USW is no exception. Even before contracts for 30,000 workers at US Steel and ArcelorMittal expired September 1, the USW offered the companies tens of millions of dollars in concessions, asserting that such cuts were necessary to keep the companies competitive. When the industry rebuffed their offers and demanded even greater concessions, the USW ordered workers to keep working, and has continued to do so.

Leading up to the contract expiration, in August US Steel laid off 1,100 workers at its Fairfield Works in Birmingham, Alabama, after firing 756 workers in Lorain, Ohio and Houston, Texas in January 2015.

The USW has worked tirelessly to isolate steelworkers from 140,000 auto workers, 40,000 telecommunications workers and tens of thousands of teachers who were also without a contract. The USW waited for the UAW to ram through concessions contracts in the face of a rebellion of workers at Fiat-Chrysler, GM, and Ford before announcing the agreement with US Steel in December.

The USW aims to prove its worth to steel companies as a second layer of management, repeatedly offering to make concessions on wages, benefits, work rules and contracting in exchange for a secure position as a labor police force, ensuring the uninterrupted exploitation of the workers from which it extracts dues.

Acting as an agent of US manufacturers, the USW endlessly promotes virulently chauvinist campaigns for protectionist trade policy, aimed above all at China. These include anti-dumping lawsuits aimed at preventing steel imports from China, South Korea and other Asian countries, and above all the nationalist campaign against the Trans-Pacific Partnership (TPP) trade agreement.

The TPP, a US project aimed at cementing US dominance over the Pacific Rim economy, aims to dictate the terms of trade to numerous Pacific countries in exchange for privileged access to the US market. The TPP primarily serves the interests of US banks, acting through their political instrument, the Obama administration. Although China is not included in the TPP, the USW asserts that the deal would open a backdoor for Chinese goods. The USW calls instead for the imposition of trade controls to reduce the flow of imported manufactured goods, in an attempt to prop up

prices and market share for domestic manufacturers.

Ultimately, the USW's support for trade war is in line with the Obama administration's military buildup and possible war with China. This deeply anti-worker perspective flows from the USW's unconditional defense of capitalism and the nation-state system.

Steelworkers in China are facing the same onslaught on jobs and working conditions as workers in the US, Europe and throughout the globe. This week Chinese authorities announced the cutting of 400,000 steelworker jobs.

The struggle to defend jobs and living standards can only be taking forward by workers uniting internationally against the profit system.



To contact the WSWS and the  
Socialist Equality Party visit:

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