

United Steelworkers tries to ram sellout deal past ATI workers

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The United Steelworkers union (USW) is forcing 2,200 locked out Allegheny Technologies Inc. (ATI) workers to vote on a deep concessions contract on Tuesday, eight days after announcing the tentative agreement with the company, and only three days after revealing any of its contents to the membership.

The contract being pushed by the USW is a major betrayal, both for ATI workers, who have been locked out for over six months, and for the working class in general. The sellout will only embolden the giant steel companies and other employers to escalate the assault on the wages, benefits and conditions of all workers.

According to all available information, the USW has agreed to all of ATI's major demands. By rapidly bringing the contract to a vote, the USW, is seeking to prevent workers from having any time to adequately review and discuss the contents of the contract and mount a campaign to defeat it.

An article in the *Valley News Dispatch* lists the contract highlights that the USW has cherry picked in order to market the contract to the membership. The full contract, which has not been released to the public, doubtless contains further concessions.

Under the new contract workers will now need to pay 10 percent of all medical costs after meeting current deductibles and annual fees. This could easily amount to thousands of dollars, especially for families with children, or older workers with prescription medications.

The USW has given in to ATI's demands for increased use of contractors, claiming that contractors are needed to restart ATI's operations. The USW is well aware that this language will be used to allow the continued employment of the scab workforce that ATI brought in during the lockout.

The company wants to contract out up to 40 percent of all positions. The USW secured the worthless assurance that ATI "does not intend for this proposal to result in any

active employee losing their employment." Such assurances in the past have been repeatedly broken with the USW's backing.

Moreover, the contract does not guarantee the jobs of the 420 steelworkers at the recently idled Bagdad and Midland plants in Pennsylvania. The USW received another worthless promise that the company will "continue monitoring the market for grain-oriented electrical steel ... to determine whether conditions justify a restart of those operations."

While the company is promising to rehire the Bagdad and Midland workers, there are no details of when or where. Six years ago 127 workers at an ATI facility in New Castle, Indiana were transferred more than 350 miles east to Vandergrift, Pennsylvania.

The USW has also accepted ATI's demand for a two-tier contract. New hires will lose defined-benefit pensions in exchange for a 401(k) plan.

Workers will receive a de facto pay cut, with their \$1.50/hour quarterly bonus transformed into a \$1/hour increase in base pay. The additional \$0.50/hour is paid into the USW-controlled Voluntary Employee Benefits Account (VEBA). These multi-million-dollar funds, established throughout the steel industry, provide union officials with lucrative investment opportunities and positions, and a direct incentive to slash retiree health benefits.

The *Valley News Dispatch* reports that a profit-sharing plan would be paid to the USW "to be split among the USW members." All profit sharing plans are reactionary since they tie workers' earnings to the profits of the company. While the top executives and big investors will continue to draw huge payouts, the profit-sharing scheme backed by the USW will allow the giant companies to make workers pay for the worldwide slump in the steel industry and the global economic crisis.

That the profit-sharing funds will be funneled through

the USW represents further evidence of the corporatist structure of the union. With a payout of between \$250,000 and \$3.75 million per quarter, based on the company's profits, the USW will have another incentive to boost ATI's profitability at the expense of the steelworkers themselves.

Two key questions are conspicuously absent from the USW's highlights. One of the most hated demands ATI made in its August "last, best, and final offer" was for changes in scheduling practices that essentially transformed workers into on-call laborers, who could be scheduled to work irregular hours with only a few days' notice or less. The USW's highlights make no mention of scheduling.

What's more, the USW remains silent on whether ATI workers will be forced to work alongside the scabs ATI has been using for the past six months. The USW's silence on these issues is a strong indication that it has capitulated on both of these questions.

Workers must understand this contract not as the outcome of negotiations between two parties with opposing interests, but rather as a conspiracy between ATI and the USW, two entities that share the same interests in exploiting them. From the very beginning the USW agreed that its most fundamental task was to force workers to pay the costs of the crisis of the global steel industry.

The lockout of ATI workers in August of 2015 took place as hundreds of thousands of workers throughout the US also faced contract battles, including over 30,000 steelworkers at US Steel and ArcelorMittal, 140,000 autoworkers at GM, Ford and Fiat Chrysler, and 40,000 Verizon workers.

Having long collaborated with the employers, the Obama administration and the Democrats in suppressing the wage demands of workers—in the name of boosting the profits and international competitiveness of corporate America—the last thing the USW, the United Auto Workers and the rest of the union apparatus wanted was a unified struggle of the working class.

That is why the USW forced US Steel and ArcelorMittal workers to continue working without a contract, and deliberately isolated the ATI struggle. At the same time, the USW has put locked out workers on rations—although they control a \$149 million strike fund—in an effort to starve them into submission.

Approximately 12,000 steelworkers at ArcelorMittal are still working without a contract. ArcelorMittal is demanding many of the same concessions as ATI. At the

same time, the company continues to cut jobs, most recently announcing the closure of its aluminizing line at its Indiana Harbor mill in East Chicago, Indiana.

In an effort to dupe workers into accepting further attacks on their living standards and to block a unified struggle by steelworkers around the world against the global corporate giants, the USW has conducted a non-stop chauvinist campaign to blame the attack on jobs and living standards on "unfair trade" and workers in China, Korea and other Asian countries. This takes place as the global capitalist crisis is destroying the jobs of workers in every country, including in China where 1.8 million steel and coal jobs are being slashed.

The USW is using economic blackmail to force ATI workers to accept a contract that will throw them back decades. The sellout agreement should be roundly rejected. However, the conduct of this struggle cannot be left in the hands of the company agents in the USW. Instead, ATI workers should form rank-and-file committees, democratically controlled by workers themselves and organized independently of the USW.

These committees should directly appeal to US Steel and ArcelorMittal workers, and every section of the working class to break the isolation of the ATI workers and oppose the strikebreaking efforts by the corporation, which is backed by all the steel giants, the politicians from both big business parties and the USW and other unions.

The policies of the USW—corporatist "labor-management partnership," subordination of workers to the capitalist profit system, and virulent nationalism—must be rejected. A new strategy is needed to unify every section of the working class in political struggle to break the economic and political stranglehold of the capitalist ruling elites, and fight for the socialist reorganization of the US and world economy in order to ensure the social rights of all workers. In this critical struggle, the *World Socialist Web Site* will do everything possible to mobilize support for the ATI workers.



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