

US Steel layoffs hit another 770 workers

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US Steel announced the layoff of another 770 workers on Friday. The layoffs take place in the company's tubular division, which makes pipes for the gas and drilling industry and has been hit hard by falling gas prices.

At least 450 workers are losing their jobs at the company's Lone Star, Texas mill, which the company had said in January that it would idle. Another 200 workers are being laid off from the company's operations in Fairfield, Alabama. The Fairfield mill will be completely idled next month.

An additional 120 management employees will lose their jobs at US Steel's operations in Lorain Ohio and Houston, Texas, as well as at the Lone Star and Fairfield mills.

US Steel blamed the layoffs on the fall in demand for steel piping as a result of the collapse of oil prices. Oil is currently selling for \$40 a barrel, above the low of \$27 a barrel in January, but only at one third of the price of two years ago, when it was selling for nearly \$120 a barrel.

Last year, US Steel reported a record loss of \$1.5 billion. The layoffs in its tubular division come on top of layoffs that have already taken place in its other divisions.

In December, just after Christmas, the company laid off 2,000 workers at its Granite City Works in Illinois. Last year US Steel also closed its plant in Lorain, Ohio and a tin mill in East Chicago, Indiana. An additional 1,100 workers lost their jobs last summer when US Steel closed its blast furnace in Fairfield, Alabama.

Over all 12,000 steelworkers lost their jobs at steel companies throughout the United States in 2015.

The latest layoffs at US Steel come just months after the United Steelworkers (USW) passed a contract granting the company millions in concessions and cuts to health and retiree benefits. The agreement which the USW pushed on its membership did nothing to defend the jobs of those workers who had already been laid off or to prevent any future layoffs.

Far from defending jobs, the USW has been working with the steel companies to push through concessions to

help the companies become profitable while working to pit steelworkers in the United States against steelworkers throughout the world, particularly in China.

Last month, the union pushed through a massive concessions contract for the 2,200 steelworkers who had been locked out at Allegheny Technologies Incorporated (ATI) for over six months. In that agreement, the USW agreed to most of the company's initial demands. Despite the ending of the lockout, hundreds of workers remain unemployed and without any benefits.

One week after the end of the lockout, the USW announced its support for the Obama's administration's investigation of stainless steel imports from China. ATI, along with AK Steel Corporation, were the two major petitioners for the investigation. The USW has supported other cases brought by all the major steel and tier manufacturers.

In a statement, USW International President, Leo Gerard, said "This latest steel industry trade case makes clear the volume of illegal dumping and subsidized products from China that's being fought by the industry and our government.

"Our 2,200 steelworkers who make specialty metals products at ATI just ratified a new labor agreement after a six-month lockout and they don't want to sustain more pain from seeing China unfairly steal the American market."

USW International Vice President Tom Conway, who led the union negotiations at ATI, added, "We've seen Chinese producers unfairly subsidizing stainless sheet and strip in the U.S. at as much as 77 percent below fair value."

Underscoring that the union's main focus was to whip up nationalism and chauvinism among its membership, the USW wrote in its last update to its members at ArcelorMittal, that "we did not anticipate that ArcelorMittal would be so 'hell-bent' on ignoring the real issues," which the union defined as Chinese imports.

Steelworkers at ArcelorMittal have been working without a contract since September 1 despite the

company's continued demands for millions in concessions, and the layoffs of thousands of workers.

“Our ‘partnership’ with the Company to stop the dumping of steel products and the unfair trade issues is the absolute right thing for us to do!” the USW declared.

Underscoring the leading role that the USW is to play in the nationalist drive, the USW statement went on to say, “Our jobs, our future and our security are too important to just leave it up to management to fix.”

The price of steel, aluminum, coal and cement has plummeted over the past year as the so-called economic recovery falters and world economy moves closer to recession. China, which produces about half of the world's steel, has seen a massive slowdown in growth and is in the process of cutting production and laying off an unprecedented 400,000 steelworkers over the next 18 months.

The USW's highly paid bureaucracy is seeking at all costs to prevent a united struggle against the capitalist profit system which is responsible for the layoffs of workers in the US, China and throughout the world.

Furthermore, the persistent drumbeat against Chinese steel has very dangerous implications. It is completely in line with the Obama administration's push for war with China, which the Obama administration conducts under its “pivot to Asia.” The USW supports such a war, regardless of the catastrophic consequences that war between two nuclear powers would have for the entire world.

Ultimately the defense of jobs, and the fight against the drive to war, requires a united struggle of workers in the United States, China and throughout the world against the capitalist profit system and for socialism.



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