

# USW pushes through US Steel sellout, prepares the same for ArcelorMittal workers

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The United Steelworkers union (USW) has pushed through a four-year contract covering 16,000 workers at United States Steel (USS), the second-largest steelmaker in the US. Under the deal, the living standards and work conditions of current and future workers will continue to be eroded, and the company made inroads towards establishing a substandard health care plan.

In 2016, the USW accepted huge concessions, including a three-year wage freeze and increased out-of-pocket health care expenses, claiming workers would recoup their losses once the US steel industry rebounded. In the new deal, however, steelworkers will receive a meager 14 percent raise over four years—approximately a 1 percent increase in real wages once inflation is taken into account despite huge corporate profits.

After the Trump administration's tariffs on steel and aluminum led to a sharp increase in domestic steel prices, the Pittsburgh-based company doubled its third-quarter earnings and is on the way to make \$2 billion in profits this year. The vast sums of money, however, are not going to steelworkers but to wealthy investors on Wall Street who will benefit from US Steel's \$300 million stock buyback plan.

The union said the contract was “overwhelmingly approved” without giving exact vote totals. If this is true it is not any measure of support for the deal but a vote of no confidence that the USW would do anything to fight for more. The USW extended the contract for US Steel and ArcelorMittal for months after the September 1 expiration dates and ignored the unanimous strike votes by workers. The union has also worked diligently to isolate each section of steelworkers, signing separate deals with iron ore supplier Cleveland-Cliffs and now US Steel, leaving 15,000 workers at ArcelorMittal, the largest steelmaker in the world, to fight alone.

The USW also kept workers in the dark about the real content of the contract, providing only a “summary” of

the deal before beginning the voting process. The union is now doing the same thing to ArcelorMittal workers.

“This contract puts the company in a position to succeed and ensures that the workforce will be able to share in that success. It's a win-win,” said Mike Millsap, USW District 7 director and secretary of the bargaining committee. “We believe these four-year agreements are fair and in the best long-term interest of all of our stakeholders,” boasted David B. Burritt, President and Chief Executive Officer of US Steel.

The USW remains silent on the expansion of contracted labor. On any given day in steel mills across the US, there are now as many contractors working as union members, and in some cases more. This in essence forms a second tier of workers, often paid less and forced to do dangerous jobs, with no job protections.

Workers at USS, ArcelorMittal and specialty steelmaker Allegheny Technologies Inc. report that they are being forced to work 70 hours on average per week, creating dangerous conditions. Workers have no time to spend with family, while the steel bosses rake in millions and live lives of luxury. Long exposure to poisonous chemicals causes long term health problems and increased cancer risks, and exhaustion leads to accidents that cause injuries and death.

A worker at ArcelorMittal in Burns Harbor, Indiana, told the *WSWS Steelworker Newsletter* of overwhelming opposition to the contracts among the rank and file, and remarked that the union does nothing about safety issues or grievances, which rarely make it to the final stage of the process. When workers are injured, the union demands workers not talk about it. Workers have no one to turn to for safety concerns or training, and are left to rely on their own wits in order to stay safe on the job.

Another worker commented that “the losses on the shop floor are staggering; if you ask the grievance committee to fight nearly anything they will tell you ‘the company can

do that.’ It is a defeatist attitude!’

One worker at ArcelorMittal in East Chicago, Indiana told the *WSWS Steelworker Newsletter* that when a worker raised concerns about mental health care and took time off to care for family, he was fired, and the union took no action to defend him.

To underscore the USW’s role as an arm of company management, one union official declared that new steelworkers should be happy with poverty level wages because it is could be worse somewhere else. “\$17.02 to start unless they start on a job with incentive. Then they also walk into decent health care with no cost out of pocket which you don’t find many places. I’m not sure many people on the street looking for jobs would say no to that.”

Another worker aptly commented, the “Steelworkers leadership is so corrupt and does not listen to or care what rank and file wants, long as they are living large.”

The USW controls vast sums of money in its Health & Welfare Fund, which oversees health insurance to current employees, and its retiree health care trust or VEBA. US Steel handed over \$350 million to the latter fund in exchange for USW backing for the concessions contract. The management of these funds provides lucrative business opportunities for top USW executives, including Leo Gerard and Vice President Thomas Conway in addition to their \$200,000 plus salaries.

Under the new deal, the USW allowed US Steel to offer its own health insurance—a higher-deductible plan called a health reimbursement arrangement in which US Steel would help employees pay for qualified medical expenses. This is a foot in the door for further attacks on health care.

After the ratification, White House Deputy Director of Communications Jessica Ditto told WIBC radio in Indianapolis that the deal showed that American workers were benefiting from the Trump administration’s trade-war policies. “We’re already seeing these immediate effects where two years into this administration our steel industry is coming back, our plants are reopening, and workers are now going to see a 14 percent wage increase over the next four years... It just goes to show that the President’s trade and economic and national security policies are working to benefit Americans, and it will continue to help our economy grow into the future.”

In fact, the contract shows that it is the steel bosses and the USW that have benefited from the trade war, not workers. Economic nationalism has always been used by both big-business parties and the unions to demand

endless concessions from workers in the name of making US companies more “competitive,” i.e., profitable, and to drive a wedge between US steelworkers and their class brothers and sisters in Asia, Europe and Latin America.

This has now evolved into the USW’s vocal support for Trump’s preparations for war against China, which would coincide with state repression against any opposition by the working class to a war that would quickly threaten the world’s population with destruction.

In opposition to this catastrophic policy, steelworkers should fight for the unity of workers around the world against the global metal giants and the relentless assault on living standards and working conditions. The fight for the most elemental needs of workers requires new organizations of struggle, including factory committees, which are controlled democratically by the rank and file, independent of the corporate-controlled unions and committed to a real struggle to defend the rights of workers to good-paying and secure jobs.

The industrial mobilization of the working class must be combined with a new political strategy in opposition to both big-business parties and based on the international unity of the working class and the fight for socialism. This is the only way to oppose the relentless wage-cutting demands of the transnational corporations, to unite the entire working class against war and transform the steel industry into a public enterprise under the democratic control and collective ownership of the working class.



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