

United Steelworkers push through sellout contract at ArcelorMittal

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On Thursday, the United Steelworkers announced ratification of a concessions contract with giant steelmaker ArcelorMittal by what it claimed to be an “overwhelming margin” after the same contract was pushed through two weeks ago at US Steel.

The deal covers some 15,000 workers. It includes a pitiful 14 per cent wage increase over four years and a meager \$4,000 signing bonus used to bait workers, many of whom suffered increasing financial difficulties after being forced by the union and company to take a three-year wage freeze as a result of the ratification of the 2015 contracts.

The wage increase amounts to only a four percent rise in pay in the first year, 3.5 percent in each of the next two years, and a three percent raise in the fourth year. When the past three years of frozen wages are factored in, and the inflation rate approaching or expected to exceed three percent in the coming months and years, it is in reality a wage cut. That such a contract was approved is not a sign that the workers believed that they were gaining anything, but rather a complete lack of confidence in the USW.

The USW claims that the 2018 contract will “bolster retirement provisions, improve benefits and strengthen contract language.” Such amorphous phrases must be understood as corporate double-speak covering up another rotten betrayal.

Leo Gerard, International President of the United Steelworkers union, made the following statements on the union’s website after the concessions were pushed through: “After years of hard work and tremendous sacrifice to keep these facilities running and the company viable while the domestic steel industry languished through wave after wave of unfairly traded imports...[t]he men and women we are privileged to represent earned these contracts by being the most efficient and productive steel making workforce in the world.”

Gerard and Vice President Thomas Conway are

representatives of a wealthy layer of labor bureaucrats who are paid handsomely to suppress any opposition by the working class. In addition to their \$200,000 plus salaries, they rake in more with other perks including positions on corporate boards. Gerard has been one of the most vocal supporters of the Trump Administration’s nationalist policies, aimed at forcing down US workers’ living standards in the name of “competitiveness” and isolating them from their brothers and sisters worldwide. Gerard’s reference to “unfairly traded imports” seeks to shift the blame for workers’ falling living standards from the union and the corporation to workers in other countries, who are exploited by the same multinationals.

The union kept workers in the dark about details of contract negotiations with both ArcelorMittal and US Steel since talks began in July, each time extending the contract deadline. In the end the USW pushed through concessionary contracts that contained provisions based very closely on management’s initial offer.

The USW prevented the workers from seeing the full contract language and having adequate time to consider and discuss it before voting. Following the strategy at US Steel, the union mailed out ballots and a bogus “highlights” summary. Workers therefore had to vote in isolation while the vote counting took place without independent oversight.

The concessions contracts come at a time when workers around the world are showing their willingness to fight. In a display of growing militancy, strike votes passed unanimously at both US Steel and ArcelorMittal, but the union refused to call a strike.

During the whole negotiation process the USW worked to systematically isolate workers at US Steel and ArcelorMittal from each other, as well as workers at Cleveland-Cliffs mining company, and locked-out workers at Bull Moose Tube and National Grid not to mention their international brothers and sisters on strike

against metals companies in Iran and Austria.

During the 2015 contract negotiations, the USW refused to call a strike of ArcelorMittal and US Steel workers, isolating them from locked out workers at specialty steelmaker Allegheny Technologies, Inc. (ATI) in Pennsylvania before pushing through deep concessions.

Since the passage of the bipartisan tax cuts for the wealthy in early 2018 and the Trump Administration's announcement of 25 percent tariffs on all steel and aluminum imports to the US, ArcelorMittal has enjoyed a massive transfer of wealth into the coffers of its shareholders. The massive Luxembourg-based corporation is the largest steelmaker in the world and earned a total of \$4.6 billion in profits in 2017 alone, with a total of \$85.3 billion in assets at the end of 2017. Its CEO, Lakshmi Mittal, has a net worth of over \$7 billion.

Steelworkers in the US work on average 70 hours per week. They have little time to spend with their families and work until exhaustion, putting them at high risk for serious injury and even death. Steelworkers have suffered decades of layoffs as global steel production shifted its center from the post-war US to countries abroad, and corporations implemented speedup and relentless cost-cutting to health and safety measures in order to recoup lost profits.

All of these conditions have been enforced with the full collaboration of the USW. In August, 2016 the *Northwest Indiana Times* reported that 48,000 steel industry jobs in the US had been cut since 2000, a decrease of more than 35 percent. In its 2015 United States integrated report, ArcelorMittal noted that "In 2015, one employee accounted for approximately 1,000 net tons of steel production, an increase of 20 per cent."

In addition to allowing layoffs and speedup to move ahead in the name of profit, the USW has partnered with the steel corporations to employ more contract labor. These workers lack any of the few job protections and benefits of full employees, putting them at even greater risk for injury.

ArcelorMittal was fined \$10,000 for serious safety violations found by the Indiana State Occupational Safety and Health Administration (IOSHA) one day before the contract agreement was announced. The slap-on-the-wrist comes in response to workers burned by hot limestone dust at its Indiana Harbor Mill in East Chicago, Indiana on August 7. Another worker was injured in an explosion that took place at the mill early last month.

The USW did not condemn the safety violations or protest the pitifully low fine when it announced the

contract the next day. The contract itself does nothing to address health and safety measures, and lays the groundwork for deep concessions to healthcare in the future. Healthcare premiums and maximum out-of-pocket expenses will supposedly remain unchanged for future and current retirees and current employees, but nothing is mentioned about future employees. With rising healthcare costs and significant on-the-job risks, more workers will pay more for healthcare as they find themselves reaching the maximum payments.

The enemies of the US working class are not workers abroad, but the global corporations and their trade union accomplices. Time and time again, the USW has demonstrated that it is not an organization that fights for the rights of workers, but a tool of the corporate capitalist class. But what is to be done?

Workers must break with this rotten organization and form rank-and-file committees in every mine and mill to advance a fight for workers own demands. These demands should include, but not be limited to, the right to an immediate 40 percent wage increase, full employer paid healthcare benefits, workers' control over production, an end to contract labor and return of the eight-hour day, and workers control over health and safety.

There is plenty of money in the coffers of the steel companies and the major banks to fulfill all of these demands. However, it will take a coordinated struggle of the working class against the capitalist class to win them. The struggle of steelworkers must follow the logic of the class struggle, linking up with autoworkers, teachers, transport and energy workers and others. This fight is bound up with a socialist strategy to put the metals and energy companies under public control, for the benefit of society as a whole, not just the wealthy few.

We encourage steelworkers who are interested in becoming involved in the fight to contact us today.



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Socialist Equality Party visit:

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