

# 2,500 workers at steel giant ArcelorMittal go on strike on Quebec's North Shore

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In northeastern Quebec, 2,500 ArcelorMittal workers have been on strike since May 10. The strikers, who work in mines, port facilities, rail lines and offices belonging to the Luxembourg-based multinational, are represented by five locals of the United Steelworkers (USW/ *Métallos*) and are affiliated with the Quebec Federation of Labour (QFL), the largest labour organization in Quebec with more than 600,000 members.

The strike follows workers' unequivocal rejection of ArcelorMittal's "final and comprehensive" offer. Workers voted against the company's May 7 offer by percentages ranging from 97 percent to 99 percent.

Union bargaining committees had recommended that the offer be rejected. But that was only under pressure from rank-and-file members, who had overwhelmingly rejected a tentative agreement negotiated by the Steelworkers on May 1, just 10 days earlier. The USW had urged workers to accept the earlier offer even though it was inferior to the one massively rejected on May 10.

Details of the company's offers have not been released. According to ArcelorMittal, the tentative agreement supported by the USW called for wage increases totalling 12 percent over four years, which at best would have amounted to a freeze in real wages given the increase in the cost of living. As for the union, it only said that the issues "at stake" in the contract negotiations include working conditions, pensions and insurance, bonuses and work schedules.

In 2017, workers voted 83 percent in favor of a new four-year contract. That contract contained wage increases ranging from 2.2 to 3 percent per year and continued defined-benefit pension plans, although the employer had pressed for them to be transformed into defined-contribution plans (with no guaranteed pension amount upon retirement). USW regional coordinator Nicolas Lapierre called the 2017 agreement a major victory, "Trust has been restored. We're back for four years. The tentative agreement is clearly satisfactory."

Now—as workers' anger demonstrates that the 2017 agreement was, in reality, no victory—the same USW bureaucrats are reduced to pleading that the workers' poor conditions are the result of "promises made [by ArcelorMittal] during the 2017 negotiations [that] went unfulfilled." The union, however, has not seen fit to explain why these promises

were not written into the collective bargaining agreement, or if they were, why the union has not enforced their compliance, including through job action.

ArcelorMittal workers must learn from these experiences. They will not be able to reverse the attacks on their working conditions by letting a pro-capitalist union beg for "satisfactory" crumbs on their behalf. The workforce at one of Quebec's most profitable production facilities have enormous potential power. Moreover, the objective conditions exist to broaden their struggle and make it the spearhead of a working class counteroffensive against the ever-widening big business-government assault on jobs, working conditions, workers' social rights and public services.

In 2016, the company cited iron ore prices of less than \$60 per tonne to demand concessions, canceled planned investments and threatened to shut down its operations in northeastern Quebec 15 years earlier than planned. Today, iron ore is worth more than three times what it was then, reaching historic highs of more than \$193 per tonne. But the company is still asking workers to be "reasonable" and not raise any demands that might impact on its profits.

ArcelorMittal—the world's second-largest steel producer and, according to *Forbes* magazine's 2019 rankings, its 120th largest company—has benefited massively from staggering increases in iron prices. The multinational company earned net profits of nearly US\$2.3 billion in the first three months of 2021, an increase of more than \$1 billion over the already large profit of \$1.2 billion that it made in the last quarter of 2020.

ArcelorMittal is about 40 percent controlled by Lakshmi Mittal, an Indian-born billionaire now living in England. He is the 196th richest person on earth, with an estimated fortune of US\$9.7 billion, according to the 2020 *Forbes* ranking. Mittal is soon to be replaced by his son, Aditya Mittal, as CEO of ArcelorMittal, a position that earned him US\$6.2 million in total compensation in 2019.

The company announced that it has made share buybacks of \$650 million in the first few months of 2021 and that \$570 million will be used for the same purpose during the rest of the year. Share buybacks are a form of speculation in which the company buys back its own shares to push up the stock price, thereby benefiting shareholders. The company also intends to

pay a dividend of \$0.30 per share, which will funnel hundreds of millions of additional dollars into shareholders' pockets. ArcelorMittal's share value has jumped 168 percent in the past year.

The ruling class is joining forces to put pressure on the striking workers. As soon as the strike began, Quebec Labour Minister Jean Boulet expressed "concern" that a long strike "would have a major impact on the entire economy of North Shore Quebec and the province as a whole." In the first days of the strike, police issued hefty tickets to picketers, on the grounds that they had violated the province's anti-COVID-19 curfew when they picketed at night to ensure management did not bring in scabs or otherwise violate Quebec's "anti-scab law." Workers observed that in the weeks prior to the strike, the police and the *Coalition Avenir Québec* (CAQ) government had had no objections when ArcelorMittal made them work night shifts and overtime to increase its profit margins.

In response to these provocations, Steelworker officials have simply repeated that they are ready to return to the bargaining table. They are thus playing the role assigned to the union apparatuses by the ruling class—that is, to contain and suppress rank-and-file opposition so it does not go beyond the pro-employer, state enforced "collective bargaining" framework.

In 2018-19, the USW and QFL betrayed the courageous struggle of workers at the ABI aluminum smelter in Bécancour, Quebec, who were locked out by the Alcoa-Rio Tinto Alcan joint venture for 18 months. The unions did everything they could to isolate the ABI workers' anti-concessions struggle. They urged them to focus on making pathetic appeals to Alcoa and Rio Tinto shareholders and systematically divided them from Alcoa and Rio Tinto workers in Australia, Spain and the United States who were waging similar struggles against management attacks.

Instead, as the Quebec union bureaucracy has done for decades, it peddled the poison of Quebec nationalism, claiming that Premier François Légault and his hard-right CAQ government were a potential ally of the workers that could be persuaded to come to their aid. Légault, a multimillionaire and former Air Transat CEO, responded by taking an openly pro-employer stance and publicly denouncing the workers' "fat salaries" and their "inflated demands."

Isolated and exhausted, ABI workers finally reluctantly voted for a deal full of concessions, including pension cuts.

To counter the USW's deliberate isolation of their struggle and demobilization tactics, ArcelorMittal workers must form a rank-and-file strike committee and elect trusted workers to it. This committee should demand that all negotiations between the Steelworkers and ArcelorMittal be held in public. In addition, since the union has already demonstrated that it is willing to negotiate tentative agreements that run counter to workers' demands, the rank-and-file committee should demand that no future company offer or tentative agreement be submitted for a ratification vote without workers having at least

two weeks to study it in advance.

The committee's most essential task must be to broaden support for the strike, by forging links with workers elsewhere in Quebec, Canada and internationally who are resisting the employer drive to squeeze greater profits from workers. Explicitly rejecting the unions' reactionary Quebec nationalism, the ArcelorMittal strikers should make a special appeal to the 1,300 steelworkers at Allegheny Technologies in Pennsylvania and four other US states who have been on strike against company-demanded concessions for two months. They must also build solidarity with ArcelorMittal workers in Europe and the United States, who have also been exposed to ruthless attacks by the multinational giant during the pandemic. One example of this came last August, when the company announced the destruction of over 800 jobs at its US facilities.

Everywhere, the COVID-19 pandemic has confronted workers with the irrationality of the capitalist system. The ruling elite has systematically prioritized profit over saving lives and is now exploiting the pandemic's economic fallout to amplify their attacks on jobs, wages, pensions and working conditions in every country.

This fact is expressed with particular clarity at multinational corporations like ArcelorMittal, which scour the globe for the cheapest and most productive labour power and exploit the rotten nationalist-corporatist politics of the unions in every country to pit miners and steelworkers against each other along national lines.

Only in a unified political struggle with their class brothers and sisters across Canada, the US and overseas can the striking ArcelorMittal workers resist the company's global onslaught. In this way, their struggle can serve as a catalyst for an international worker-led counteroffensive against capitalist austerity and for a complete reorganization of the economy to place the social needs of working people and their families ahead of the corporate drive for ever greater profit.



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