

US Steel workers face cuts in real wages, no job guarantees in USW-company contract

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Work at US Steel? Fill out the form at the end to tell us what you think about the tentative agreement and what your working conditions are like.

On Tuesday, the United Steelworkers (USW) union announced a four-year tentative agreement (TA) with the US Steel Corporation, more than two months after the previous contract expired on August 31. The USW has kept the vast majority of 11,000 workers at US Steel mills across the US largely uninformed about the content of its closed-door talks with the company over the preceding months.

Few details have emerged about the full contract. Based on previous rounds of bargaining with the major steel companies and the USW, it will come as no surprise if the US Steel contract contains similar if not worse concessions as the Cleveland-Cliffs contract pushed through in August. Throughout the stage-managed “negotiations” with both companies, the union bureaucracy has not acted as an advocate of workers’ interests, but a loyal tool of management. The USW deliberately isolated the struggles of workers from one another, although as a class they faced the same threats from above.

According to USW District 9 Director Daniel Flippo, negotiating committee secretary during the talks, the tentative agreement features “a lump sum bonus” of \$4,000, “improves wages, increases pensions, includes an additional holiday and bolsters existing health insurance provisions for workers and retirees without premiums.”

He continued, “Steelworkers will be safer at work and their jobs and benefits more secure under the tentative agreement... Our members have faced challenges in the past and know what it takes to lead the industry through its up and down cycles.”

In fact, the USW bureaucracy has agreed to destruction of the hard-won gains of steelworkers, whether the steel industry faced an economic downturn or whether it was

booming with profits. To claim that steelworkers won major gains without waging a serious fight against the corporations is nothing but a self-serving lie.

The USW bureaucracy is trying to pressure workers into voting on a contract without having had a chance to see the full terms. Bargaining chair and USW District 7 Director Mike Millsap told PR Newswire, “the bargaining committee unanimously recommended the tentative agreement for ratification and thanked union members for standing together in solidarity for a fair contract.”

Highlighting the pro-corporate terms of the deal is the endorsement of the TA from top US Steel executives. US Steel Senior Vice President and Chief Human Resources Officer Barry Melnkovic praised the agreement on the corporate web page, saying, “This tentative agreement is a textbook example of a responsible contract that meets the needs of our business and our employees and maintains the existing uncapped profit sharing plan that enables our employees to be among the highest paid in the industry.”

Despite the ambiguous character of the contract terms the USW released to the press, workers will see real wages cut in the face of continually high inflation. The TA’s “increases” of 21.5 percent over four years is well below the rate of inflation, which has hovered at 8 percent or more for 2022.

With each concessions contract the USW has pushed through over the last decade, conditions, including health and safety, continue to deteriorate despite the claims, repeated ad nauseam, that the new contracts “improve safety.” As final negotiations were underway with Cleveland Cliffs, a young steelworker was seriously injured at the Indiana Harbor Mill in East Chicago, Indiana, and after the contract proposal was announced, a 44-year-old worker was killed while working on maintenance at the same mill.

The *World Socialist Web Site* encourages workers at US Steel to demand their rights to read and study the full

contract before voting takes place. In 2018, the USW released only the “highlights” to members before sending mail-in ballots. Some US Steel and former ArcelorMittal workers reported never receiving the full contract after ratification, even after approaching local union officials.

Workers should vote “No” on the sellout deal and form rank-and-file committees to issue their own demands, including a 50 percent wage increase, full cost-of-living protection, the abolition of labor-management health and safety committees and the control of the shop floor, including production output and health and safety, by rank-and-file workers themselves.

The steel industry is not the only one where USW bureaucracy collaborates in the sacrifice of life for corporate profits. In September, two USW members were killed in a fire that erupted at the BP Husky refinery in Oregon, Ohio. There is evidence to suggest that the use of unskilled contract labor contributed to conditions that led to the explosion and fire. Such conditions were negotiated with the collaboration of the USW, which has embraced expanded use of contract labor at both oil refineries and steel mills across the US.

In March, USW President Tom Conway boasted that he signed a “responsible contract” which “did not add to inflationary pressures” after blocking a strike by 30,000 oil refinery and petrochemical workers. The Biden administration held closed-door meetings with Conway to make sure there would be no disruption to the energy industry as the US launched its proxy war against Russia in Ukraine.

The proposed contract will affect the lives of 11,000 steelworkers and their families. This is significantly fewer than the last round of contracts in 2018. The USW negotiated concessions contracts with US Steel and ArcelorMittal USA (now owned by Cleveland Cliffs), which specifically did not offer any protection from layoffs, despite the fact that mills have been running on near skeleton crews after decades of closures and mass layoffs.

In 2018, the USW blocked a nationwide strike by ArcelorMittal USA and US Steel workers after a near unanimous vote to strike by 31,000 workers. Well aware that the USW would not lead any fight, workers reluctantly accept the deal, which paved the way for mass layoffs and continued dangerous working conditions in the mills.

In 2019, 200 workers total were laid off when the corporation idled the Great Lakes mill south of Detroit and the East Chicago, Indiana, Tin mill and carried out

job cuts at its largest facility, Gary Works in Gary, Indiana. Months before the most recent contract expired on September 1, US Steel announced plans to lay off almost a thousand workers over two years as it idles the steelmaking operations at the Granite City, Illinois, mill across the Mississippi River from St. Louis.

The USW bureaucracy allowed these layoffs without lifting a finger to oppose them. The union apparatus is controlled by well-paid officials like Flippo and Millsap (salaries, \$127,045 per year, each) and international president Tom Conway (salary, \$169,046), who do not earn their six-figure incomes by toiling 70 hours in a mill on midnight shifts like many steelworkers do. Their posh lifestyles are bound up with protecting the profit interests of the American metals, energy, rubber and mining corporations and isolating and defeating strikes when they do occur.

To fight for their demands and develop a strategy to end the corporate terrorism of job- and wage-cutting and perpetually deadly working conditions, workers must organize independently of the pro-corporate USW bureaucracy. Steelworkers will have the widest support from all sections of the working class in North America and internationally if they form their own rank-and-file committees to lead a fight to roll back decades of union-backed concessions.

In doing this, steelworkers should follow the lead of Will Lehman, a rank-and-file Mack Trucks worker who is running for president of the United Auto Workers. Lehman is calling for the transfer of power from the UAW apparatus to workers in the factories and other workplaces through the formation of rank-and-file committees. He is also fighting for the international unity of workers to fight the global attack on jobs and living standards by the transnational corporations.

The auto industry is deeply integrated with the steel industry globally, and together workers can win their demands if they are organized under a program that can build international unity.

Steelworkers who want to know how to build rank-and-file committees should contact the WSWS here.



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