

USW forces through wage concessions at US Steel after isolating workers for months

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Work at US Steel? Fill out the format the end to tell us what you think of the contract, and what your working conditions are like.

On Tuesday afternoon, the United Steelworkers union (USW) announced that a four-year sellout contract for 11,000 workers at facilities owned by US Steel was ratified. The contract includes wage concessions and no tangible protections for jobs and safety for workers. The union bureaucracy claims that the contract was “overwhelmingly” ratified by members but has yet to release vote totals.

The announcement on the USW’s website vaguely states that “the new contract features a lump sum bonus, improves wages by more than 20 percent over its term, increases pensions, includes an additional holiday and makes improvements to both active and retiree health care.” It is not clear whether the “improvements” to health care benefits amount to savings for workers, nor to what amount pensions are increased or if the increases keep pace with rising inflation.

The wage increases agreed to by the USW behind workers’ backs only benefit US Steel. Anything below a 9 percent increase year over year is in effect a wage cut, given the decades-high rate of inflation, not to mention the years of wage concessions and freezes the union bureaucracy has forced workers to take.

US Steel has seen its most profitable periods since the initial stock market tumble at the onset of the COVID-19 pandemic. From 2020 to 2021, US Steel’s gross profits increased over 30-fold, rising from \$183 million in 2020 to \$5.74 billion in 2021, surpassing even its profits in 2019 and 2018. These profits are the result of the 2018 betrayals by the USW leadership and the significant wage and benefit cuts that workers suffered.

The USW is concealing far more from the public about the 2022 contract than other past concessions contracts. It has not released even a list of contract “highlights” on its website, meaning the concessions are even more glaring than the wage cuts themselves. This has been the general modus operandi of the union for decades—concealing information on contract talks from the rank-and-file and isolating USW workers from their brothers and sisters in the same union, industry and from the wider working class internationally during their struggles.

US Steel’s original proposal called for workers to accept the elimination of coverage for high-cost specialty drugs and to accept a narrow PPO plan, or be forced to pay premiums for health coverage. It is unclear if or how the USW caved in to these demands.

USW District 7 Director Mike Millsap, who chaired negotiations with US Steel, said, “With the new contract ratified, union members will be safer at work and our jobs and benefits more secure than they have been in the past.” Millsap’s words are empty. Every time the USW bureaucracy has claimed that workers would be “safer at work” than ever, yet each contract has stripped safety measures and placed oversight in the hands of joint labor-management safety committees that serve largely as apologists for the corporation.

A young worker in Millsap’s district was severely injured at a Cleveland Cliffs plant in northwest Indiana earlier this year. The worker was a USW member and working under the terms of the 2018 contracts, and Millsap had little to nothing to say about the preventable tragedy.

The wage “increases” are patterned after the Cleveland Cliffs contract forced through in November. During that struggle, concurrent with the workers’ struggle at US Steel, the union actively and consciously worked to isolate steelworkers from one another and prevent an organized fight of rank-and-file workers against the corporations. In that struggle as well, the USW did everything possible to prevent workers from learning critical details of the negotiations and kept them working under contracts that allowed the companies to put their health and safety at risk for profits.

A rank-and-file maintenance worker at US Steel’s Gary Works previously spoke out against the USW’s betrayal of workers who raise safety concerns, and denounced the attempt to force the same concessions onto workers at US Steel. “Where is the fine print? Are those ‘raises’ based on production? We don’t know, and they’re trying to ram the same thing down our throats,” he said.

As the US Steel contract was announced, USW District 9 Director Daniel Flippo attempted to whip up support for war, giving the American ruling class the union’s blessing that it was willing to sacrifice the lives and livelihoods of US workers for the needs of war production. “Our nation’s defense and ongoing critical infrastructure projects need a robust domestic steel industry with highly skilled and experienced workers prepared to respond to changes in the market,” he said in a press release.

For his part, US Steel CEO David Burritt stated, “The new agreements balance the needs of our employees, customers, stockholders, and other stakeholders... We will continue to work together in implementing our Best for All strategy and transforming the future of steel through strategic investments in

innovation, sustainability, operational excellence and the communities in which we operate.”

Burritt’s praise for the deal underscores the deep corporate-union collaboration that US Steel and other companies rely on to deepen attacks on the working class for profits. While Millsap, Flippo, USW International President Tom Conway and others postured as opponents who were fighting the corporation during bargaining, in reality the closed-door meetings were a “negotiation” to decide on which concessions the workers would take.

The USW’s record of betrayals

The 2022 contracts reveal an escalation of the betrayal of the working class by the union bureaucracy. In 2018, the USW blocked a strike of 30,000 steelworkers at ArcelorMittal USA (now Cleveland Cliffs) and US Steel after workers unanimously voted for a strike. The USW refused to call the members out on strike and instead pushed through a contract filled with wage and benefit cuts and no job protections. Workers were given only the highlights of the contract to read before voting, and in spite of widespread opposition to the tentative agreement, were told that it passed.

Since the 2018 contract, thousands of steelworkers in the US have lost their jobs as mills were idled and jobs were cut. Several more steelworkers at the facilities under the contract have been severely injured or killed on the job.

The contract was passed just a day ahead of Ukrainian President Volodymyr Zelensky’s visit to the Biden White House as part of the campaign to condition the American public to accept Washington’s escalation of the US-NATO war against Russia in Ukraine. The Biden administration plans to send a \$45 billion weapons package to the Ukraine military, inevitably paid for with deep cuts to the living standards of American workers.

Conway, along with the rest of the USW bureaucracy, has continuously declared his ardent support for the buildup of the US-NATO war. Three days before the USW announced a sellout agreement with the major American oil refiners on February 25, Conway met in a closed-door meeting with the Biden administration to ensure that the union would block a strike by 30,000 US oil workers, which would have significantly impaired the White House’s goals for military and financial escalation of the war drive.

The oil refineries deal was ushered through one day after Putin’s invasion of Ukraine started. In a press release, Conway declared that the contract would not add to “price gouging and inflationary pressures”—meaning that wage increases would be below inflation—and called for US oil companies to halt Russian crude oil imports. The USW bureaucracy made clear that it would comply with the US oil companies’ demands for trade sanctions and wage and benefit cuts for workers, helping reap the greatest possible profits from the escalation of the conflict.

After forcing through the contract for the majority of oil

workers, the USW isolated a strike of 500 Chevron oil workers in California, who had defied the USW and voted down the national contract. In May, the union then rammed through a deal which was little changed from the agreement workers had initially voted to reject.

Build rank-and-file committees to win what workers need

The strike by the Chevron workers was but one expression of the growth of the class struggle this year. Working class struggles have taken on a more militant character, with workers willing to make sacrifices to protect their jobs and livelihoods in the face of unprecedented inflation, the threat of war and the ongoing COVID-19 pandemic.

Workers around the world, from CNH industrial workers in the US Midwest to teachers in Iran to transit workers in the US and UK, are engaged in or prepared to go on strike. The developing global strike movement is revealing the fighting potential of all sections of the working class in every country, and has great potential for workers to link their struggles together to coordinate a fight for higher wages, full benefits and an end to war. These struggles have taken on more and more the form of a rebellion against the trade union bureaucracies, which have functioned as a police force for the corporations for decades.

The way forward for workers against the threat of war and conditions of industrial slavery is to form independent rank-and-file committees, to articulate and fight for their own demands, decided democratically by workers themselves based on what they need and not based on any concessions to the corporations’ demand for profits.

This has been the perspective fought for by rank-and-file Mack Trucks worker Will Lehman, who is running for United Autoworkers International President on a program to abolish the union bureaucracy and transfer power to the rank and file. His campaign has won wide support from auto and other workers around the world, and launched an investigation into the UAW elections to expose the role of the union bureaucracy in blocking workers from exercising their democratic rights.

We urge all steelworkers who wish to join the fight to build genuine organizations of workers power to contact the WSWS to discuss organizing a rank-and-file committee.



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Socialist Equality Party visit:

wsws.org/contact