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Concessions Rejected

USWA Local 1010 Steelworker Inland Steel, East Chicago, Indiana

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Concessions Rejected

Abstract

[Excerpt] On November 19, steelworkers came within 90 votes of making giveaways worth as much as \$6 billion dollars to the basic steel industry. By a vote of 231-141 the Presidents who make up the Basic Steel Industry Conference rejected a unanimous recommendation from the International Executive Board to grant the biggest package of concessions in the history of the American labor movement.

Keywords

labor movement, collective bargaining, steel industry, United Steelworkers of America, USWA, concessions, U.S. Steel

Concessions Rejected

from *USWA Local 1010 Steelworker*
Inland Steel, East Chicago, Indiana

On November 19, steelworkers came within 90 votes of making giveaways worth as much as \$6 billion dollars to the basic steel industry. By a vote of 231-141 the Presidents who make up the Basic Steel Industry Conference rejected a unanimous recommendation from the International Executive Board to grant the biggest package of concessions in the history of the American labor movement.

Bill Andrews, Local 1010 President, voted against the agreement. At a minimum, the package included: an immediate \$2.25/hr pay cut, (more for incentive workers); loss of two COLA payments as well as severe changes in the COLA formula; loss of a holiday, and the cancellation of extended vacations at the end of the current cycle.

This 44-month pact, under the best of conditions, would have meant a minimum loss of \$9,000 for every steelworker. The loss per individual worker could go higher than \$20,000 over the life of the contract.

Just how close we came becomes even more frightening when the vote is looked at more closely. 78 of the Presidents at the conference were from what is known as List Three locals. List Three locals are small shops such as the Ryerson Company that are covered by the basic steel umbrella. Presently these locals are covered under the basic agree-

ment. But under the November proposal, they would have been cut off from the basic steel contract and each local would have been forced to negotiate a new agreement by March 1. If they did not have an agreement by this time, the company could lock them out.

This would have been a massacre for these locals. Cut off, taking on multi-billion dollar companies one-on-one, they would have been sliced up and they knew it. For the first time in many cases, these locals went into opposition to the International.

If these locals had voted the other way, we would now be working for about \$2.40 less an hour.

It's unfortunate that the newspapers and the companies have been able to paint the steelworker as a lazy fat cat. We have been called everything from greedy to strike-happy. The fact is most steelworkers want peace—but peace with honor. To have accepted the terms of the agreement placed before us would have been close to an unconditional surrender.

The biggest fraud of this agreement is that it somehow meant Jobs. Nothing could be further from the truth. The elimination of the extended vacations plan would cost us 500-800 jobs at Inland, and 5-10,000 jobs throughout the industry. In this case concessions

not only doesn't mean jobs, they cost jobs.

The second loophole in this agreement means the companies can continue to divest from steel. There is nothing in this agreement to prevent U.S. Steel from taking this money from steelworkers and buying another oil company.

Since U.S. Steel has divested from steel, so that steel is only 38% of their business, they now are pushing a hard line with steelworkers. All financial analysts indicate U.S. Steel is best positioned to take a strike. Part of the thinking behind this strategy seems to be to drive some of the other American steel companies out of business. This makes sense for U.S. Steel, but why the 8 other steel companies are marching lock-step towards a cliff where the bridge across has only room for 4, remains a mystery.

Inland and the other steel companies need to get realistic and make the industry start serious bargaining with the union instead of trying to destroy it.

We have tried to explain the main points of the agreement. We have tried to put price tags on how much the changes would have cost us. We can't swear our figures are perfect, but we

worked hard to be as accurate as possible.

Figure out for yourself how much you would have lost under this type of agreement. Ask yourself if it makes sense for us to sacrifice so much of our standard of living? Ask yourself if you want to work the rest of your career under these terms, with a company that has seen its union members buckle under without a fight.

And one final point. It has been said that everybody loses in a strike. This is not quite true. Yes, everybody suffers in a strike. That's why nobody wants one.

But everybody does not lose a strike. Canadian Chrysler workers won \$1.15 an hour raise from a company that swore it would not pay. Somebody wins and somebody loses, even though everybody hurts. If the steel industry does not become reasonable soon, a strike or a lock-out becomes more and more likely.

Local 1010 does not want to suffer through that type of fight. We hope Inland Steel does not either. But if suffer we must, let's make sure that we come out on the winning side. Let's not lose in one stroke of the pen what it took forty years to gain.

Many USWA local newspapers have printed analyses of the November contract proposal. The Midwest Center for Labor Research is interested in seeing these various analyses, both pro and con. If your local printed an analysis, please send it to us:

Midwest Center for Labor Research
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MCLR has produced its own analysis of the November proposal, along with critical evaluations of the way the press reported the story. You can obtain copies by writing to the address above or by calling:

(219) 398-6393.