



September 1, 2018

USS Still Demanding Concessions

The Union and Company are still far from a fair agreement. U.S. Steel continues to demand a six-year contract with deep concessions throughout. It has offered bonus and wage increases the first three years, designed to appear meaningful, but the bulk of their “bonus” is the profit sharing we will have already earned!! There is nothing but financial sleight of hand in the way they now do business. Much like their Carnegie way savings they brag about so much. This is followed by very small increases in the final three years and the promise of more bonus money if they do well using formulas they continue to change to suit their needs.

However, the Company has also demanded cuts in the current active health care program which would double the amount you would pay in deductibles and out-of-pocket maximums (the limit that protects you from large health care expenses). It then proposes you pay premiums for your health care plan of up to \$237 per month for family coverage in 2019 and rising by 10% per year over the rest of the contract. After subtracting these premiums and additional out-of-pocket expenses, the proposed wage increase is actually an average of only 0.2% per year for a family. It’s even worse for retirees and those who expect to retire in the coming years. If you’re working a Labor Grade 3 job....here’s the value of their offer to you.

Company Proposed Wage Increases After PPO Family Health Care Premiums

	9/1/18	9/1/19	9/1/20	9/1/21	9/1/22	9/1/23
Wage Increase, Labor Grade 3	\$0.98	\$0.77	\$0.79	\$0.27	\$0.27	\$0.28
Less PPO & Dental Family Premium	-\$1.37	-\$0.10	-\$0.10	-\$0.11	-\$0.12	-\$0.13
Less Value of PPO Plan Changes	-\$0.80	-\$0.06	-\$0.06	-\$0.06	-\$0.07	-\$0.07
Cumulative Net Wage Increase	-\$1.19	-\$0.57	\$0.06	\$0.16	\$0.25	\$0.32

U.S. Steel has proposed a high deductible health plan for new hires (optional for current employees). It would have high deductibles and out-of-pocket requirements which would require you to choose between the risk of large out-of-pocket expenses or large monthly employee premiums.

The Company has further demanded concessions in these areas:

- enabling language to allow it to modify all our incentive plans
- eliminate the \$250 minimum SUB benefit and cut duration of SUB benefits
- eliminate SUB benefits and any layoff protection for employees up to 5 years of service
- eliminate weekly S&A benefits for employees with less than 5 years of service
- reduce S&A benefits for employees with 5-10 years of service by 50%
- eliminate the recharge of S&A benefits after 60 days back at work
- change health insurance carriers without negotiations or Union agreement

- reduce health insurance continuation during layoff up to 50% for new hires
- benefit cuts and premium increases in retiree health care benefits
- increase retiree health care premiums for future retirees
- random drug tests for all employees
- refuse to discuss cost saving by looking at the work they send off site to contractors
- refuse to discuss having to lay off employees with the union or listen to alternatives...they find it too “laborious”.
- eliminate the 40 hour guarantee and work 32 hour weeks as they see fit
- eliminate quick return OT
- eliminate OT over 8 hours in a day
- many other changes in contract language

This list goes on and on. This is a staggering proposal from financial flim/flam artists who have spent the last three years taking care of themselves and fattening their pocketbooks at the expense of everyone, their workforce, customers and even their shareholders. They have developed a line of BS about how much they care and their “passion” for USS. They care ONLY for themselves and their behavior is the evidence of that.

Your local union leadership will return home in the coming days and will quickly schedule informational meetings and strike authorization votes with you. During that time we will continue to stay at work and will provide management with a 48-hour notice in advance of any strike in order to safely cease operations. We will also continue to try to bring the company to their senses, but that authorization is necessary to bring them into the real world. The local leadership will then return to Pittsburgh to try to finalize a deal before we take any strike action. Hopefully the company brings forward a proposal worth your consideration for ratification. Their current one is not. We will stay in close contact with you through your CAT teams.

The union didn’t come looking for this fight and we wish the company’s executives would cut out all their ego driven nonsense and, like the workforce, just do their jobs, making and delivering high quality steels to the market and our customer base. We are prepared to continue to try to reach an honest and fair settlement and will continue to strive toward that end with management.

Hopefully a strike will not be necessary, but the company continues to ignore the workforce’s needs and to commit illegal practices on a daily basis during the bargaining. You’ve shown your solidarity in the rallies this week, and we need to demonstrate it again with the strike authorization votes. Stay strong and united. Solidarity works for workers.

TO GET TEXT UPDATES FROM THE BARGAINING COMMITTEE, TEXT USS TO 47486

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