



USW/ArcelorMittal Negotiations

Update #12

Friday, Sept. 4, 2015



Message Delivered: We Demand a Fair Contract NOW!

First, we want to thank the **members, retirees, their families and other supporters** who participated in our rallies, marches and other actions this week for their **tremendous display of unity and solidarity**. The negotiating committee **truly appreciates your hard work and dedication** while this long, difficult process continues.

ArcelorMittal management certainly saw our numbers and heard our voices in opposition to their **unfair and unnecessary demands** with thousands of Steelworkers rallying in solidarity outside their doors on Tuesday.

Although **the company says** that it wants a new contract with our union, **that desire has not been reflected in its proposals** at the table. While we continue to meet, **progress has been slow**, and ArcelorMittal persists in seeking **major changes to our agreements** that would **reduce the security of our jobs, earnings and benefits**.

We remain committed to our goal of reaching a fair contract, and we question whether we are **dealing with people who have the authority to negotiate an agreement**.

We must continue **standing together** and delivering to management the consistent message that **we will not allow the company to take away the rights and benefits we have earned and deserve, nor will we allow them to dig into the pockets of our retirees**.

As always, we remind everyone to **work safely** and urge your **continued solidarity**. We will keep you informed of our progress and **look forward to the challenges ahead**.

2015 USW Negotiating Committee			
David McCall, Chairman USW District 1 Director		Michael Millsap, Secretary USW District 7 Director	
Dan Boone USW Local 979 Cleveland	Tom Hargrove USW Local 1010 Ind. Harbor East & Riverdale	Lonnie Asher USW Local 1011 Indiana Harbor West	Sheldon Gregg USW Local 1165 Coatesville
Rich Sayers USW Local 1375-07 Warren Coke	Ray Napoli USW Local 1688 Steeltown	Mark Glyptis USW Local 2911 Weirton	Dave Bombich USW Local 6115 Minorca Mine
Pete Trinidad USW Local 6787 Burns Harbor	James Sanderson USW Local 7898 Georgetown	Kameen Thompson USW Local 9462 Conshohocken	Al Caldwell USW Local 2342-01 Columbus Processing
Kinley Porter USW Local 9121 LaPlace	Todd Kegley USW Local 9231 I/N Tek and I/N Kote	Randy Wade USW Local 9309 Columbus Coatings	

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Some of the Issues Remaining between the USW and ArcelorMittal:

WAGES/COMPENSATION:

MANAGEMENT DEMANDS	UNION PROPOSALS
Three years with no wage increases, reducing incentives (eliminating incentive for Labor Grade 1), reductions in vacation pay, sickness and accident benefits and reducing or eliminating premium time for overtime.	A three year contract with lump sum payments and wage increases based on overall market hot band pricing. <u>NO</u> reductions in our vacation pay, incentives, S&A or eliminating overtime pay. Their proposals are meaningless in terms of reducing the real cost of making steel.

ACTIVE HEALTH CARE:

MANAGEMENT DEMANDS	UNION PROPOSALS
Reduced coverage with huge increases in out-of-pocket expenses and monthly premiums of \$150 for single coverage and \$250 for family coverage. A single person who doesn't use their insurance would pay \$1,800 more per year, while families would see an increase of \$3,000 per year. In addition, for those who use their insurance, a single person would pay up to \$2,600 more than current, and families could pay up to \$6,600 more – not including drug costs.	Our health care is part of our compensation, and there is no need to reduce coverage or make monthly contributions because of a temporary downturn in the market. We have proposed a single PIB that will reduce the administrative costs by millions of dollars per year, yet protects our benefits and <u>NOT</u> require contributions.

RETIREE PROTECTIONS:

MANAGEMENT DEMANDS	UNION PROPOSALS
Significant increases in monthly premiums for current and future retirees, pushing Medicare-eligible retirees into exchange plans and ending contributions to the VEBA, negatively impacting current and future retirees and eventually eliminating benefits for legacy retirees.	We have introduced a proposal that will reduce OPEB liabilities and drastically reduce the company's accounting charge for retiree healthcare, but maintains our benefits and contribution levels as well as benefits for legacy retirees.

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