



## **Allegheny Technologies Incorporated (ATI): Workers locked out due to corporate greed.**

On August 15, 2015, ATI locked out 2,200 workers from their jobs in an attempt to force them to accept massive benefit cuts. ATI employees were working hard in good faith after their contract expired on June 30th, until ATI abruptly canceled negotiations and brought in temporary labor (aka scabs).

Before contract talks began, ATI managers were 'shadowing' workers on their jobs, forcing them to sit through captive audience meetings, and contracting with scabs to take over their work. ATI then opened bargaining by delivering a jaw-dropping list of 145 concessions. Most of these demands stayed on the table; right up until ATI gave its "take it or leave it" last, best and final contract offer on August 6th. There has only been one formal bargaining session since the lockout, which occurred on September 11th. USW came to the session with a new proposal, but ATI continues to refuse to discuss anything but its last offer.

ATI wants a "two-tier" contract. This kind of contract sells out future generations and sows tensions between older and younger workers. Let's look at just 3 of ATI's 145 proposed concessions:

### **HEALTHCARE**

ATI wants to significantly increase the amount their workers pay for healthcare: \$215/month for family coverage and as much as \$6,000/year in out-of-pocket costs. ATI wants to end retiree health insurance for new hires (as well as other benefits such as pensions and life insurance). For employees hired after July 1, 2015, healthcare deductibles will be five times those of existing workers, out-of-pocket maximums more than twice as much, and co-pays much higher. Premiums will be somewhat lower for new employees at first, but by the end of the contract they'll close the gap with those of the existing workers, which will be frozen, and in some cases exceed them.

The company says the rollback in benefits is necessary because of falling steel prices and rising imports. However, those trends have not affected pay at the top! ATI Chairman and CEO Richard J. Harshman got a raise of more than 70% last year, to nearly \$8 million. Despite the ups and downs of the steel industry, ATI has kept its 72-cent dividend to shareholders rock solid, which cost \$77 million last year. ATI wants to make cuts well beyond what is justified by the downturn, quite simply they are stealing from their workers pockets.

It is a fact that some employers cover more healthcare costs than others, but why would any worker condone having a race to the bottom? Rising healthcare costs have weakened union's bargaining power and "Obamacare" does not do enough to combat the costs of healthcare. A more sustainable and ethical approach to healthcare is sorely needed.

### **SCHEDULING**

ATI wants to force its employees to work schedules with non-consecutive work days as well as days of either more or less than 8 consecutive hours of work. They want to define the normal work day as "up to twelve hours of work... however, employees may be scheduled to work more or fewer hours on one or more days in a week based on business needs."

Workers at ATI have already been working mandatory overtime that equals up to 20 hours per week. Today's long workday is a hefty fall backwards from the improvements to working conditions that the working class won when Congress passed the Fair Labor Standards Act in 1938, a key part of President Franklin D. Roosevelt's New Deal. The realization of the 40-hour workweek, overtime pay, and wage legislation that has become standard across many American industries was hard fought. It took deadly accidents, workers showing some serious solidarity and a White House willing to listen to make it happen. In fact, the Ford Motor Company advanced the idea as early as 1914, when it scaled back from a 48-hour to a 40-hour workweek after founder Henry Ford believed that too many hours were bad for workers' productivity. Overall productivity has risen 22% since the 1970's. If wages kept up with productivity, minimum wage would be over \$22/hr, but minimum wage today is only \$7.25.

### **CONTRACTING OUT WORK**

ATI wants to use contractors to "supplement the workforce". This non-union labor would do 'non-core' work and specialized maintenance work, even when there are workers on layoff available.

The company primarily wants to contract out to reduce costs. This is also a form of union busting, much like outsourcing is for industries (i.e., NAFTA, TPP), and it will lead to further pay and benefit inequalities in the workforce. The job goes to a non-union employee, who has less power on their job than a union employee experiences. Unions are disadvantaged by this

tactic, workers lose bargaining power and it becomes easier for corporations to fire them and ship their job overseas. Contracting out will contribute to worker insecurity and is reflective of the general process of globalization and economic polarization.

### **SOLIDARITY IS OUR WEAPON**

From the Taft-Hartley act in 1947 to the current day “right to work” act being passed in 26 states, the union movement has had to battle with a slew of regressive legislative attacks. The economic and political conditions that the labor movement faces go a long way in explaining organized labor’s weakened position. However, this does not fully explain the scope of why trade unions and the working class have encountered such difficulties in mounting a fight back against employers. At least part of the explanation for the weak response to the lockout at ATI should be rooted in a critical look at the internal structures of the USW.

Today, only about 11% of the workforce is union and only 6% of the private sector is union. The number of strikes in a given year is down to a sixth of what it was just two decades ago. Income inequality is deadly. In 2007, executive pay in the U.S. was more than 400 times more than the average worker- a gap 20 times bigger than it was in 1965. Unions have failed to effectively respond to the rising inequality and are dealing with a now much more global and complex labor movement.

Militancy, union democracy, rank-and-file intensive tactics, and community and international involvement play a crucial role in collective bargaining. Unions can achieve better collective bargaining agreements than they otherwise would have attained by embracing these tactics. Steelworkers' resistance to further cuts in wages and benefits, and community solidarity with their cause, could prove to be a critical defense for organized labor and the well-being of working class communities as a whole.

#### **5 Ways You Can Show Solidarity**

- \* Stop by the picket line and say hello. Honk in support when you drive by. It means a lot to the workers, and helps keep them inspired.
- \* Attend rallies and events called by the local unions.
- \* Donate money and supplies to the local unions.
- \* Stay informed. Receive text message alerts from USW by texting “ATI” to 47486. Read other news sources and spread the word about this situation.
- \* Write letters to the editor of your local newspaper.

#### **Union workers crossing the picket line:**

Bricklayers & Allied Craftworkers Local 9  
100 Kingston Dr., Pittsburgh, PA 15235  
412-825-0923 or toll free 800-238-0999

#### **Scab labor provided by:**

Strom Engineering  
10505 Wayzata Blvd., Hopkins, MN 55305  
www.stromengineering.com

#### **ATI security & scab transport provided by:**

Phillips Group, Inc.  
HQ: 125 E Doyle St., Toccoa, GA 30577  
Pittsburgh DBA: Investigative Phillips Group  
239 4th Ave., Pittsburgh, PA 15222  
www.jrphillips.com

*This informational flyer was published by the Pittsburgh branch of the Industrial Workers of the World (IWW). We are a member-run union for all workers. We are for working class power. One big union!*

#### **12 Locked Out ATI Locations**

##### Connecticut

**USW Local 1341**, 271 Railroad Hill St., Waterbury, CT 06708.  
Donations: Unconfirmed. Please call 203-795-0800.

##### Massachusetts

**USW Local 1357**, 1357 E. Rodney French Blvd., New Bedford, MA 02744. Donations: 558 Pleasant St., New Bedford, MA 02740. 508-991-7270.

##### New York

**USW Local 9436**, 695 Ohio St., Lockport, NY 14094.  
Donations: Unconfirmed. Please call 716-228-7306.

##### Ohio

**USW Local 1046**, 1500 West Main St., Louisville, OH 44641.  
Donations: 925 W. St. Louis Ct., Louisville OH 44641.  
uswlocal1046@gmail.com

##### Oregon

**USW Local 7150**, 530 SW 34th Ave., Albany, OR 97322.  
Donations: USW 7150 Strike and Defense Fund, 1400 Salem Ave., Albany, OR 97321.

##### Pennsylvania

**USW Local 1138**, 130 Lincoln Ave., Vandergrift, PA 15690.  
Donations: 331 Market St., Leechburg, PA 15656. 724-842-2091.

**USW Local 1138-1**, Mill Bridge Rd., Leechburg, PA 15656.  
Donations: Local 1138 donation address above.

**USW Local 1138-6**, 242 Allvac Ln., Latrobe, PA 15650.  
Donations: Local 1138 donation address above.

**USW Local 1196**, 1080 Brackenridge Ave., Brackenridge, PA 15014.  
Donations: above address. Tax ID# 25-0318003. 724-224-9000.

**USW Local 1196-1**, 1300 Pacific Ave., Natrona Heights, PA 15065.  
Donations: Local 1196 above.

**USW Local 1212**, 950 Tenth St., Midland, PA 15059.

Donations: 617 Midland Ave., Midland, PA 15059. 724-773-2636.

**USW Local 7139**, 500 Green St., Washington, PA 15301. Donations:  
1505 Jefferson Ave., Washington PA 15301. 724-225-8608.