What’s Wrong with Management’s Proposal?

- Rather than recognizing the deep sacrifices its work force has made in recent years, the company has instead approached this round of bargaining seeking even more concessions and offering only empty promises.
  - Even after hourly employees have endured a three-year wage freeze, U.S. Steel is demanding a ridiculous long-term wage package, benefit cuts and crippling cost shifting to its employees and retirees as part of any settlement.
  - USW members have had their wages frozen for the last three years, while consumer prices have risen by 8 percent and private-sector wages have risen by 9.3 percent. The members of the USW at U.S. Steel have recognized the difficulties facing the industry and the company, but now that the steel market has improved, USS employees deserve a raise and a fair contract.
  - Wages have been stagnant in the United States but even so, the recent BLS (Bureau of Labor Statistics) data on wages have shown an average wage increase of 2.7 percent so far in 2018.

- Company management has not shared in the sacrifices it has asked of its workers.
  - During this same period, managers rigged their own bonus payments to ignore their lack of profits and instead gave themselves significant cash payments at all levels.
  - This was done while the company suffered serious financial issues due to unfair imports and the failure of management to invest in the maintenance and upkeep of the mills and equipment, causing them to suffer many operational setbacks.
  - Management now boasts of their investment to finally revitalize the plants after starving them of necessary maintenance and equipment upgrades to meet the market needs.

- The company is in a position to afford a fair and equitable contract.
  - U.S. Steel and the analyst community have the company on track to earn $1.8 billion this year and expect 2019 and going forward to be even richer years for them.
  - With market conditions and pricing the best they have been in a decade, this is not the time for U.S. Steel to pick an unnecessary fight with its employees and risk a labor dispute. It is irresponsible to its employees and its customers and to do this while the company expects to thrive in the coming years is inexplicable and inexcusable behavior.
• **Steelmaking is dangerous and difficult work. Steelworkers deserve fair treatment.**
  - Steelmaking jobs are particularly difficult and dangerous and are performed in harsh environmental and weather conditions. These are demanding, skilled jobs – not entry-level positions. The union’s wage proposals are moderate and are in line with our increases in productivity.

• **The USW did not approach this round of bargaining seeking confrontation. We have fought hard — inside and outside of our plants — to position the steel industry for its current success.**
  - The USW has been the leading voice in our country for decades regarding the impact of illegal and unfair imports on our industry, and we have led that fight at every level of government. We recognize the futility of a fight at this time within the industry and with management.
  - The union does not want a confrontation. We simply want fair treatment, given our hard work and past sacrifices. We expect management to come to the table with the intention of negotiating in good faith. Unfortunately, the company has used the current trade climate to choose a foolish and reckless path.
  - The company has created barriers to reaching an agreement by delaying its response to many of the union’s information requests and providing incomplete or inconsistent information when it has responded. It has also engaged in surveillance of our lawful activities. The union is prepared to enforce our legal rights if that’s what it comes to.
  - The USW is committed to a responsible and fair contract and will resist an ideology from the top of the house at USS that is without thought or reason. We do not seek a fight with U.S. Steel but should they force one upon us, we will last one day longer.