



February 19, 2021

The Real Facts about ATI's Proposal

ATI has proposed a four-year labor agreement that attacks many of the hard won benefits that we have achieved over the years. USW members have fought for generations to negotiate fair wages, incentives, health insurance, retirement security, overtime pay, supplemental unemployment benefits (SUB), sickness and accident benefits (S&A), layoff minimization, scheduling and many other protections that make our workplaces safer and give us a stronger voice on the job.

The company would like us to believe that its latest contract proposal is acceptable and fair, but this is a deceitful characterization. **The company wants us to ignore a very important fact – its concessionary demands would more than wipe out any protections we have bargained for over the years and would deny workers who have not had a raise since 2014 to another four years without any pay increases.**

They have attacked our security and “safety net” provisions. They have failed to address some of our non-economic proposals and ignored some very important local issues we have brought to the table.

ATI is trying to convince us that we should ignore our sacrifices and accept major concessions for the sake of “sustainability” because the industry has faced downturns in the past – conveniently overlooking the critical fact that the flexibility of our contracts has enabled the company to survive the tough times and begin to thrive now that, as they report, the market has rebounded.

The company's proposal is **not** fair, and its demands for huge concessions are **not** necessary.

ATI can afford a fair agreement that meets the needs of our members and their families.

- ATI has over \$650 million dollars in cash, and they will make substantial profits over the next several years. Forecasts for the market and the industry are very positive, – as acknowledged by both the company and Wall Street.
- Hourly workers have waited more than seven years for a wage increase, yet management regularly rewards itself. They claim to care about the long-term interests of the company, but they operate it without a comprehensive plan for the future viability and sustainability of our facilities. This short-term mentality leads to inconsistencies – which is exactly what greedy, self-entitled bosses do when they think they can get away with it.

USW members already have made sacrifices.

- As a result of market conditions created by unfair foreign trade and an unlawful lockout, USW members went through the last four-year labor agreement without a wage increase.
- Over the years, we have fought at every turn for tariffs to level the playing field and rebuild our industry. We understood the threat that the company and industry faced, and as a union, we made responsible decisions to protect our earnings and secure our future.

Management refuses to recognize the need for a fair Shutdown Agreement.

- Management late last year announced the shutdown of Louisville, Waterbury and #3 Finishing in Brackenridge, yet they refuse to provide the Rule of 65 and 70/80 immediate pensions that the employees are entitled to receive.

The company's proposal would cost workers dearly.

- To start with health care, ATI proposes to have us start paying for our health care coverage and their proposal would require us to pay a portion of the healthcare cost for almost 3 years beyond the contract expiration.
- Over the four years of the company's proposed contract, an employee with a family could potentially pay thousands of dollars in health care premiums.
- For new hires, the situation is even worse. They will have no option and be forced into the salary non-represented plan. Worse yet, the proposal would allow management to make any changes including raising premiums and without the ability to file a grievance.

The concessions don't end with health care.

There are many other concessionary pieces to ATI's proposal:

- They want to restrict an employee's right to transfer.
- They want to require employees to work 12 hour shifts without daily overtime and could schedule people 5 and 6 days a week.
- They have proposed to contract out certain maintenance and specialty maintenance work even when our members are working less than 40 hours a week and when our members are laid off.
- They want to contract out all vacuum truck work, all railroad operations and all locomotive maintenance work. They also want to contract out all machine shop work and be able to assign management employees to research and testing work.
- They want to amend the employment security language which would basically make it meaningless.

We must reject ATI's demands and show management we are united.

Unfortunately, ATI management does not seem to respect our contributions to the company's financial health or recognize the sacrifices we have already made in the name of sustainability. Their proposal is extremely unfair in terms of the costs it imposes and the wages it does not offer during its term.

Our USW negotiating committee did not come into these negotiations spoiling for a labor

dispute or the difficulties a work stoppage would create for our families and our communities. We came to negotiate in good faith, but we cannot allow management to impose the unnecessary and unfair concessions it brought to the table.

In addition to the company's unrealistic proposals, your bargaining committee has also been hindered by the company's bad faith bargaining practices which includes dragging its feet at the table, delaying and failing to respond to our proposals, and delaying in providing us with the information we requested that is needed for us to understand the basis for its proposals and to formulate informed counterproposals.

We have not worked and sacrificed to save the industry and these facilities for the company to force us to accept dramatic cost shifting and wage packages that are far below what we have earned and deserve.

The USW is prepared to negotiate a responsible settlement, but we are not buying into or playing their game. In order to do that, we must show management that USW members are prepared to defend our economic security, employment security and retirement security.

Our proposals are fair and reasonable.

Our wage proposals have been consistent with gains within the manufacturing sector, and considering the wage freeze in 2016, we are clearly justified in our demand. Unfortunately, the company's offer is clearly unacceptable.

The company can afford our proposals and we are not going backwards on health care. In fact there are several areas in which we should fix and improve some of our current coverages, and we certainly are **not** going to pay premiums!

We have made reasonable proposals. We have made other demands that fix many of the issues we deal with every day on the shop floor, from local issues to issues that improve our quality of life. Most of our issues are being ignored by the company, but none of them are unaffordable or unreasonable!

In unity,

Your USW/ATI Negotiating Committee

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