U.S. Steel 2015 BARGAINING UPDATE



Company Wants to Turn Back the Clock

(July 24) – Your USW negotiating committee has received an outline of U.S. Steel's initial contract proposal, which includes dozens of concessionary demands that would turn back the clock on decades of contractual improvements and benefits for our members and their families.

While we have yet to receive a formal, detailed proposal from the company, it's clear from this initial outline that U.S. Steel is attempting to use the current industry downturn to gut our contract and weaken our union. Our bargaining committee will review the company's full proposals in detail and provide you with more specifics about their content in the coming days and weeks, but here is a summary of what we know so far:

Health Care & Benefits

Management will be proposing major changes to health care that would increase costs for both our active and retired members. For active workers, these changes would include annual deductibles at a minimum of \$2,600 and out-of-pocket maximums of as much as \$13,100 per year for families. In addition, we expect the company to propose that employees be charged a monthly premium. U.S. Steel also is seeking to eliminate the current retiree medical plan and force Medicare-eligible retirees to shop for their own supplemental coverage through a private exchange.

Contract Language

The company intends to propose language that would reduce vacation pay, eliminate vacation bonuses and increase vacation eligibility requirements. The company's language would also strip union workers of bidding rights, normal scheduling rights and overtime pay after eight hours. The company would modify our full-day and full-week guarantees to only four hours per day and 32 hours per week, increase severance pay eligibility requirements and increase the length of probationary periods.

Safety & Health

U.S. Steel wants to reduce the union's role in health and safety by giving the company control over the choice of union safety representatives. The company also is balking at our ideas to improve health and safety training.

O&T/Plant Protection

The company proposes to eliminate the Security V job classification and combine the functions into job class IV, replace the bi-weekly salary rate with an hourly rate, and modify absentee control to count all absences even if supported by medical documentation or approved by a supervisor.

Strength & Solidarity

These proposals do nothing to address the current climate in the steel industry – they are designed instead to take advantage of that climate to weaken our contract. We are going to need the strength and solidarity of <u>ALL</u> of our members to keep up our fight for a contract that is fair to the company and our active and retired members. Stay strong, keep in touch with your CAT Coordinators, and stay tuned for more information in the coming days!

In Solidarity,

Your 2015 U.S. Steel Bargaining Committee

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