

History has been
our heritage.
It was given to us
by our forefathers.
It always will be.

UNITED STEELWORKERS

A BRIEF HISTORY OF OUR UNION, ITS STRUGGLES AND ACCOMPLISHMENTS

Nothing we have
was given to
us without a
struggle.
It never will be.

1993

Negotiations began on July 1, 1993, with a “sound off” meeting in Marquette and the parties exchanging initial offers. Negotiations followed on July 7th-16th in Green Bay and then on July 18th-28th in Duluth. The company offered a counter-proposal to the Union’s initial offer and the Union followed with a counter-proposal to the company. Now, it was the company’s turn to come back with another proposal—but they didn’t. The Union had offered to extend the contract on a day-by-day basis but the company wanted a two week extension.

So again, for the second time in three years, a strike commenced at midnight on July 31, 1993.

Mike Prusi, President of Local 4950, had met with his members and informed them of a few of CCI’s proposals which contained:

- * Eliminate 30 year pension and retiree medical benefits for new hires after August 1, 1993.
- * Eliminate coffee and lunch breaks. Foremen will tell you when to take them.
- * A six-year agreement with a re-opener in 1996 patterned after Inland Steel.
- * Two \$500 bonuses. One immediately and one in the second year.
- * \$.50 per-hour raise in 1995.
- * Immediate elimination of the tonnage bonus plan that currently pays \$.60 an hour.
- * A flat rate of \$33.50 per month (multiplied by the years of service) from one (1) year to 30 or more years.

The current pension paid:

- 1-15 years; \$29.50 per month/per year-of-service.
- 16-30 years; \$32.00 per month/per-year-of-service.
- 31+ years; \$33.50 per month/per-year-of-service.

This offer was clearly unacceptable to our negotiators.

On August 2nd, CCI was quoted in The Mining Journal as saying that the unrealistic demands by the union prompted the breakdown in negotiations. The company also said—and you may have heard this before—“The company expressed its profound disappointment with the union demands in view of the cost and competitive pressures confronting the iron ore mines and the steel industry.”

Cliff’s continually demanded a *pattern package* like those that had been negotiated at the “Big Steel” companies. Except of course, the \$45 pension multiplier that Big Steel had negotiated with the USW. A priority issue with our negotiators was to increase the pension multiplier to that \$45.

It didn’t take CCI long to start licking envelopes and stamps either. In an August 11th letter mailed to employees, CCI opened the letter with, “Once again, we are all confronted with a needless strike that is causing financial harm to you, your families, the community and the companies involved.” The first paragraph also said, “Unfortunately, rumors and inaccurate public statements by other parties about the issues will inevitably cause much confusion and anger. Therefore, Cliffs believes that you are entitled to a direct explanation of the situation.” (Sound familiar?)

Cliffs continued to banter-on about the *pattern packages* while our negotiators continued to hold fast to their belief that CCI could still give us a decent package.

Don Lohman, President of Local 4974 and seasoned negotiator, said this about CCI, “They don’t listen to us until we have the authority to close the mines. You can’t reason with them. You can’t beg from them. They’ll only respond to force.”

It was now late August and the pension issue appeared to be the main sticking point.

Earlier in the month, Gary Waterman, President of Local 2912 (CCI’s General Shops) had said, “Cheapskates is what they are. If they don’t get into the real world with the pension, we’re going to be out a long time.”

**“Cheapskates is
what they are.”
Gary Waterman**

On August 17th the parties were back at the bargaining table in Duluth. The talks continued through August 22nd with some progress made and the issues being narrowed down. The parties then parted ways, but agreed to reconvene negotiations on August 30th.

They returned to Duluth and on Monday, September 6th, they reached an agreement. The 38 day strike was over. The decision was made to send the members back to work for afternoon shift on Wednesday the 8th and then have the ratification vote within 10 days.

However, at 11:30 a.m. Wednesday, the word came from Duluth that something was

wrong with negotiations. The picket

**The foreman will tell
you when to take
your coffee and lunch
breaks.**

1993 cont.

line was told to turn back anyone trying to go to work.

At 2:00 p.m., the negotiators called from Duluth and gave the O.K. to let everyone in. "There were several different items that had to be changed on the contract before we would initial it," Mike Prusi said.

On Thursday, September 16, 1993, the ratification vote was taken and 80% of the members approved the new deal.

The contract consisted of:

- * A six-year contract with a re-opener in 1996. If the parties could not come to an agreement in 1996 then it would be decided by binding arbitration.
- * \$.50 an hour across-the-board wage increase on August 1, 1995.
- * \$1,000 bonus payable within seven days.
- * \$1,000 bonus payable no later than April 30, 1996 if Inland Steel had a net profit of at least \$150 million for 1995.
- * An incentive increase of \$.96 per-hour (based at Job Class 12) over the life of the agreement.
- * One additional week of vacation per year-of-service for each employee with three (3) years or more of service beginning January 1, 1994.
- * Two point additive for all trades and crafts.
- * \$500 Inflation Recognition Bonus paid February 1, 1994.
- * Pension multipliers were:
 - \$40.00 multiplier; effective August 1, 1993.
 - \$42.00 multiplier; effective January 1, 1995.
 - \$45.00 multiplier; effective January 1, 1997.
- * \$300/ month pension supplement until age 62.
- * Five-Year Certain pension guarantee.
- * Two \$500 payments to employees who retired before December 1, 1990.
- * S & A benefits increased by \$50.
- * Vision - \$50 paid for eyeglass frames.
- * The Tonnage Bonus would continue.
- * Union Proposal # 118—Shift and Area—was granted.

THE PICKET LINE WAS TOLD TO TURN BACK ANYONE TRYING TO GO TO WORK.

1996 Re-Opener

The 1996 re-opener was something new to the Steelworkers. We had never had a contract that lasted six years, and we had never had one with a re-opener after the first three years. In 1993, our negotiators were not thrilled about a six-year deal, but since Inland and Bethlehem Steel had signed six-year contracts, we were more or less inclined to agree to the same.

Since the original contract was for six years, we did not have the ability to strike in 1996. We were only able to try and re-negotiate the terms and conditions of the original 93' pact.

On September 4, 1996 our negotiators met with District Director Foster in Duluth to go over the Union's proposals.

From September 22nd-26th, the parties met in Minneapolis and exchanged proposals and counter-proposals. Then the parties recessed and returned home to study each others offers.

When the negotiations continued on Friday, October 25th, the session lasted for 15 hours and resulted in an agreement.

The proposal was brought back to the membership for ratification. If the members turned down the package, then the contract would most likely end up in the hands of an arbitrator who would make a final, binding decision.

The contract contained:

- * \$.50 an hour retroactive to August 1, 1996.
- * \$.25 an hour on August 1, 1997.
- * \$.25 an hour on August 1, 1998.
- * \$1,000 bonus payable within 10 days of ratification.
- * \$1,000 bonus on August 1, 1998.
- * Both bonuses were tied to Productivity Improvement

language that was implemented in the contract.

- * A Supplemental Performance Bonus Plan with a "Base Bonus" of \$500 for 1997 and 1998 tied to minimum production levels of 6.4 million tons at the Empire and 8.0 million tons at the Tilden.

If the membership turned down the contract, it would most likely end up in the hands of an arbitrator.

1999

Foreign imports were again plaguing the U. S. Steel Industry. The industry had filed trade complaints against Japan, Russia and Brazil. All three had posted import increases for the month of May versus the prior month. Russia's imports in May alone were six times that of April.

On June 14, 1999, CCI announced possible production cutbacks due to the lack of demand for iron ore pellets. Sales in the

1999 cont.

second quarter of the year were expected to be significantly lower than the previous year. CCI said they had to evaluate the situation, but had made no specific decisions about where or when the cutbacks would take place.

On Monday, June 28, 1999, contract talks between CCI and the USW began in Minneapolis. Talks continued through the month with very little information released to the members or the media.

CCI announced shut-downs and layoffs before the ratification vote was taken.

On July 31st at 11:55 p.m., Local Union Representatives were called by the negotiators from Duluth and told that a tentative package had been reached. The vote would now be brought back to the membership for ratification.

Before the vote could be taken, on Tuesday, August 3rd, CCI announced that the Tilden would begin a 10 week shutdown on Friday the 6th. They also announced that the Empire would have a six-week shutdown, but they had not yet scheduled the date.

Informational meetings were held on Monday, August 16th, and a ratification vote was taken. But the counting of the ballots was held up by the International Union pending clarification of outstanding issues regarding the contract lan-

guage. "The contract outlines in detail every item that was discussed and agreed to," Cary Burnell, an International USW negotiator said. "Some glitches developed while writing the intent of a number of the contract issues. The ratification vote was held up to ensure employees are getting exactly the benefits they were told they would get under the proposed agreement."

On Tuesday, August 31st, Local Union officials were given the go-ahead to count the ballots. The new contract was approved by 85% of the membership.

The contract details were:

- * A five year contract from August 1, 1999 to July 31, 2004.
- * \$.50 an hour on February 1, 2000.
- * \$.50 an hour on August 1, 2001.
- * \$1.00 an hour on February 1, 2003.
- * Heavy equipment additives were put in place.
- * The existing Tonnage Bonus was replaced with the

Cost Performance Bonus.

- * 401K contributions increased to 18%.
- * Effective August 1, 2001, a \$250 (per week) vacation bonus paid to employees for each week of vacation taken within a 10 week period that was to be mutually agreed upon by the parties.
- * Increased incentive payments that would add an average \$.63 an hour over the term of the agreement.
- * S&A benefits increased by \$150 over the term of the agreement.

*Pension improvements were:

Effective August 1, 2000:

First 30 years - \$52.50 per month/per year of service.

For every year over 30 - \$70.00 per month/per year of service.

Effective August 1, 2002:

First 30 years - \$56.25 per month/per year of service.

For every year over 30 - \$75.00 per month/per year of service.

The Cost performance Bonus replaced the Tonnage bonus.

2004

Before negotiations even had a chance to begin, CCI was up to their old tricks again. On July 2, 2004, CCI broke out the stationary, quill pen, bottle of ink, composed another letter and mailed it to the hourly workforce. It was a two-pager, but the main point of the letter was to let us know that they would use replacement workers if there was a work stoppage. Then on Wednesday, July 8th, they had a front page story in The Mining Journal related to the letter. In it, Cliffs' said that they would replace us with workers from a firm based in Cleveland called International Management Assistance Corporation (IMAC).

They also had a quarter-page add in the paper entitled "*A Message to the Community*", which displayed the entire letter they had recently sent to members.

Neither the letter nor the ad phased the members in any way.

All it did was spark harsh criticism from USW representatives.

Dave Foster responded by saying that the use of replacement workers was a despicable act of greed and their use over the last decade has proven to be an ineffective tactic to solving collective bargaining issues. "IMAC provides the type of employees no self-respecting community would want in its midst," he said.

**"A despicable act of greed. IMAC provides the employees no self-respecting community would want in its midst."
District Director Dave Foster**

On Monday, July 19th, negotiators continued contract talks in Pittsburgh. By Wednesday, July 28, 2004, they had a tentative accord. Mike Carlson, Local 4974 President stated in The Mining Journal that, "We worked through the process and got the best deal we could. It's now up to the members to decide whether or not to approve the deal."

2004 cont.

The ratification vote was held and the package was approved by the slim margin of 22 votes.

The contract contained:

- * A four-year contract with 3% raises on August 1, 2004; September 30, 2005; and March 31, 2007.
- * CCI would put over \$220 million into its under-funded health and pension plans over the term of the contract.
- * The existing incentive plan was rolled into the standard hourly wage rates.
- * The Cost Performance Bonus was raised to a maximum of \$1.72 an hour.
- * The \$250 weekly vacation bonus (during 10 consecutive weeks jointly decided upon by the parties) would remain.
- * Corporate guarantees for obligations to retiree health insurance and pensions.
- * New Contracting Out language was added for Major Repairs/Major Rebuilds.

*During the contract dispute of 1990, there were a number of editorials in the local newspapers relating to the strike. One in particular, in late November, caught our attention. It was written by Dave Aho, a feature writer for "The Porcupine Press" and he depicted **our story and our plight** very well. We have reprinted it in its entirety. We feel it is well worth your attention.*

Life Its Own Self in the Little City By Dave Aho

I'm back from another vacation! I'm not one of those people who take no time off during the winter and save all my vacation time for the summer. I consider myself fortunate to have my job and I'm glad that I've put in the seven years necessary to earn the kind of vacation time that I get. I know a lot of people who are on vacation, but don't want to be. You probably know some of them too; the striking miners who work our areas' iron mines.

Not to long ago, I came across some rube who was talking about the strike to a man who was seated next to him at a bar. I picked up bits of nonsense dribbling out of his mouth, i.e.; "Them guys at CCI got it made." and, "They don't do nuttin' but sit on their ass and make good money. They ought to try working for \$6.00 an hour for awhile.

By the time I recovered from being momentarily stunned by the depth of this man's stupidity, he had drained his glass and left, leaving no tip of course.

I realized that the man was exhibiting a hollow envy based on his own misconception of what these jobs are and what they are not. It's true that CCI workers do have a good job. They earn a respectable living and, thanks to modern equipment, they don't have to exactly dig out the ore with a pick and shovel. Every working stiff tends to brag about the good parts of their jobs as a statement of their own intrinsic value.

I've heard miners' trying to tap the wellspring of their friends' envy with comments like: "I got a four day weekend coming up," or: "I'm making double time-and-a-half this shift," or: "Some equipment broke down last night and I sat on my ass and drank coffee for six hours."

What these friends don't usually hear is the twenty-one or so straight swing shifts the man puts in before his four-day weekend. Or that the double time-and-a-half shift was Christmas day, or New Years, and when his family and friends were feasting on turkey or sipping beer and watching the Rose Bowl, he was freezing his bones in an ore pit, twenty degrees colder than Siberia and fumbling with icy-cold gas-soaked parts trying to make a worn out ore hauler work. Or when equipment doesn't break down, he wields an iron bar, attempting to free jammed rock conveyors where a careless move or slip can send him into machinery designed to crush rock the size of a house.

So this rube who was shooting off his mouth as soon as he got his brain loaded, formulates a picture in his limited imagination of "Joe the Miner's" ample posterior firmly planted in a chair, with his muddy boots draped over a desk, and blowing into a scalding cup of coffee to cool it enough to drink, while he mentally tabulates his finances.

I admit that I have never worked in a mine, and my information is all second-hand. But it comes from the people who do work there; those who man the shovels, trucks, crushers and conveyors; hosing scooping, drilling, blasting and muscling the ore from the bowels of the landscape. I know that it is cold, hot, dusty, wet, loud, dangerous and often lonely work that they couldn't (and wouldn't) pay me enough to do. I'm certain no big-wig from Cleveland would descend into that pit to get his hands dirty and frozen to bring the ore out — it's too honest a living for those corporate fat cats.

Consequently, I get offended when these money-mongers write editorials and publish them in local papers, attempting to sway public opinion against the areas' miners obtaining a respectable share of the company's record-breaking profits. The miners took wage concessions and benefit reductions when the corporation claimed they needed it, and now it's only fair that the miners get some of that money that the company seems to want to use for executive perks and ownership profits. Our area can use it also. So why shouldn't we support the miners' union and their fight for justice against the faceless giant known as CCI? I would much rather see our friends and neighbors stopping in Ye Old Local Watering Hole for a few belts after work and before the ol' lady can waste their checks on food, clothing and shelter, than to see millions go to corporate lechers so they can play high-roller in leverage buyouts, Savings and Loan scams or other Republican variations of three-card monte.

We all pay a little for those iron ore dollars. If you've ever flown over the area, you'll understand what I'm talking about when I say that these mines are a massive screech mark on the underwear of the U.P. These corporate money-mongers make their millions off the sweat and sacrifice of our people and the rape of our land. They turn our lakes and rivers into Martian-like tailings basins and industrial sewers that poison the water with unpronounceable chemical horrors in their lust for money. It's high time they return some of that money to our area in the form of paychecks, and share the wealth with those who drag it from the earth for them. They've all seen more layoffs than Bush has had vacations, and they deserve to have a little of the fruits of their labor. I hope the strike ends soon and I hope the miners get everything they are asking for from those Rolex-wearers who get rich off their efforts and expertise, even if it means there will be a few less yachts registered in Cleveland next year. Maybe there will be a few new businesses opening in Ishpeming.

Hang in there brothers and sisters! I know a vacation without pay can become a nightmare of self-denial, but many of us appreciate what you are doing, not only for yourselves, but for our area. To those corporate mucky-mucks who don't feel the miners deserve a decent raise—try working in that ore pit next January. And don't forget your long underwear.