

Blackmail in Beaumont

What is Gerdau Ameristeel trying to gain with its lockout?

On May 26, with no advance notice, the top management of Gerdau Ameristeel locked out nearly 300 members of United Steelworkers Local 8586 in Beaumont, Texas. At the same time that company officials were meeting with the local union to spring their surprise, they were telling a news crew from a Beaumont TV station that Gerdau was temporarily idling the mill because of soft market conditions.

The company says that “a major point of disagreement” is the term of the agreement, and that it wants a four-year contract “to reduce the uncertainty and anxiety of the collective bargaining process and ensure long-term stability.” What management doesn’t want you to know is that the company has already made a written, binding commitment to a two-year agreement.

How can broken promises and a vicious surprise lockout “reduce uncertainty and anxiety” in Beaumont and “ensure long-term stability” at the mill?

The company says that “everyone . . . benefits financially” from its “Last, Best and Final offer.” What management doesn’t want you to know is that its proposals would:

- **Eliminate overtime pay in all instances except as required by federal law.** Hours over eight (8) in a workday, to cite just one example, would be paid at straight time unless they totaled more than 40 hours in a work week. The company also wants to eliminate holiday hours being counted for overtime purposes.
- **Cut vacation pay by almost 30%.** For workers with five to 15 years of service, for example, annual vacation pay would be slashed from 168 hours to 120.
- **Allow the company to unilaterally combine, alter, expand or reduce present job classifications.** This includes a totally new job classification system, and combining the current 24 job classifications into 10.
- **Eliminate contractual penalties on the company** for supervisors doing bargaining unit work and missed assignment of overtime.
- **Increase the number of hours management can force employees to work** from 12 to 16 hours per day.
- **Drastically cut wages** for workers who bid or hire into the bottom third of job classifications, and impose a four-year wage freeze for employees currently in those jobs.
- **Treat every employee as a new hire** for pension purposes, regardless of length of service.

The company says the union left “no bargaining room on aspects of the agreement that are key to the long-term, successful operation of the mill,” that its lockout is “an effort to encourage” a vote on its offer. Management doesn’t say that the union has always been willing to bargain on all issues — including the term of the agreement — and that Local 8586 members already told the negotiating committee that they’re not interested in voting on the company’s concessionary proposal.

Help support our locked out brothers and sisters in Beaumont:

- ◆ **Contribute at our local's plant gate collection later this week.**
- ◆ **And tell Gerdau Ameristeel management that**

It's Time to Start Bargaining in Beaumont!