



# INFORMATION UPDATE #22

June 27, 2011

**Rally**

**Tuesday, June 28, 2011 – 10:30 a.m.**  
**Wilcox Lock-Out Gate**

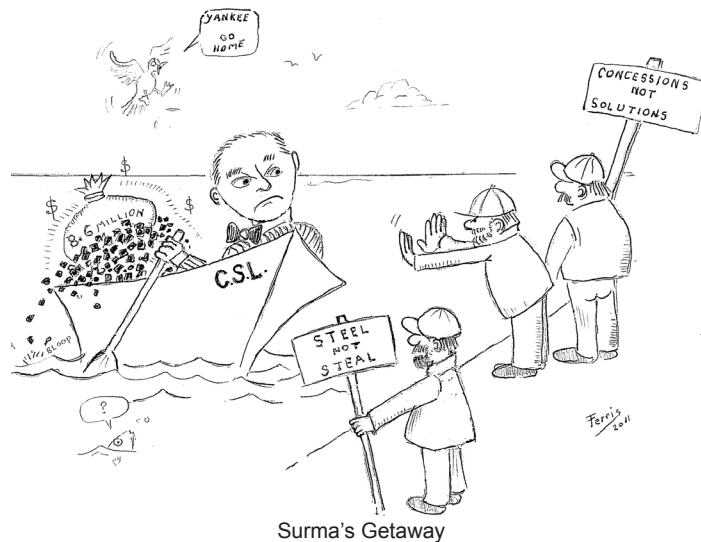
## **Rally in Support of Locked Out Steelworkers** ***The People vs. U.S. Steel***

Local 1005 is pleased to inform you that on Tuesday at 10:30 a.m. Provincial NDP Leader Andrea Horwath, also our MPP for Hamilton Centre, will be visiting the picket line at the Wilcox Lockout gate to rally support for our just cause.

Since November 7, 2010, U.S. Steel has kept us in a phoney lockout. Its aim is to extort concessions on pensions despite the legal commitments it made to the Government of Ontario when it promised to maintain the current pension regime until 2015.

U.S. Steel has also closed down production in violation of commitments under the *Investment Canada Act* for which it is being sued by the federal government. Despite this, the federal government is not defending the Canadian economy and steelmaking in the current phoney lockout.

Local 1005 has pointed out that a central issue at stake in its opposition to being held for ransom by U.S. Steel is the necessity to defend a Rule of Law worthy of the name. For U.S. Steel a contract means nothing. It thinks it can use its dominant position to nullify its legal commitments whenever this suits its interests and



Surma's Getaway

the union is supposed to agree, as are Canada's federal and provincial governments. It is unacceptable. All of it is to guarantee the profits of the richest few in the society while workers, their families and community lose their livelihoods and independence.

Local 1005 calls on Hamilton workers and community members and organizations to oppose this tyranny. It is also important on this occasion to recognize that calls to take our

case to arbitration create illusions that U.S. Steel wants to restart production if only the union "acts sensibly" (and caves). This is not the case. If U.S. Steel wants to restart production in Hamilton it should end its phoney lockout and let us get back to work. In this regard, this rally will also denounce attempts to blame the union for being intransigent which is par for the course for those for whom words mean nothing.

We invite our members, pensioners and community members to join us on the picket line Tuesday morning at 10:30 a.m.

End the phoney lockout! We have 8.6 million reasons why No Means No!

### **Enthusiastic Response to Local 1005's 65th Anniversary Celebration**

**Keep the Date! Saturday, July 23, 2011**

**Gage Park, Noon to 11:00 pm**

Enthusiasm continues to build for Local 1005's 65th anniversary celebration. Tom Pollock from the organizing committee told Information Update, there will be something for everyone that day. "We are really pleased with the response we've received from the Hamilton Business Community," Tom said. Execu-



tive member and organizing committee member Tony McLaughlin tells us that the following bands are playing that day, with more still confirming: **BOB; Rock City; Silo 66; Oracle; Blackheath; Frank Dangelo and the Power Surge.** "Everyone should come and enjoy, it will be a day to celebrate," Tom added.

**For information visit: [www.uswa1005.ca](http://www.uswa1005.ca)**

## Solidarity with CUPW

On June 26, Local 1005 President Rolf Gerstenberger sent a letter to the President of the Canadian Union of Postal Workers Denis Lemelin to congratulate all postal workers for their “courageous stand against the unprecedented attacks by Canada Post and the Federal Government.”

The letter reads:

“While this is the 7th time postal workers have been legislated back to work, this time the Harper government’s conditions show it is going further to side with Canada Post to destroy the public post office by making postal workers the target of deteriorating wages and working conditions.

“We appreciate that your fight in defence of your mem-

bers’ working conditions and the public service is far from over and that you did not give up fighting for these rights during the difficult past two weeks. This action by the Federal government will solve none of the problems of the workers at Canada Post or of the economy but on the contrary make matters worse.

“As you know USW Local 1005 is in a similar struggle with U.S. Steel against attempts to extort concessions, especially a two-tier pension regime which would have us abandon new hires and open a path which smashes the union and further annexes Canada to the U.S.

“We sincerely appreciate your fighting stand.”



Members of Local 1005 at CUPW picket line at the Stoney Creek sorting station, June 20, 2011

## U.S. Steel’s Bottom Line

Beginning in the fourth quarter of 2007 (the quarter in which U.S. Steel purchased Stelco), U.S. Steel began reporting what it called the “raw steel capability utilization rate for the flat rolled segment.” It divided its capability utilization rate between the tubular and the flat-rolled segment, and reported it for both its North American and European operations.

For the Second Quarter of 2008 it reported its Canadian flat rolled segment rate at 101.1 per cent. Since then, its Canadian rate is not reported separately, but included it in the North American rate, reflecting the annexation of Canada and its steel industry to the U.S.

U.S. Steel’s best quarter for profitability in the history of U.S. Steel was the 3rd Quarter of 2008 at which time it reported its raw steel capability utilization rate was 86 per cent.

During the 2nd quarter of 2008 this rate was 92.7 per cent for North America (that is when the Canadian rate was 101.1 per cent.) In the first quarter of 2011 the rate was 77 per cent, which means that about 10 per cent of its flat-segment capability is not required at this time.

Steel companies rarely stockpile steel, which means the reduction in capacity was accomplished by closing the Hamilton blast furnace on October 1, 2010. That is why we describe this lock out in Hamilton as a phoney lock out. U.S. Steel does not need the 2 million tons of capacity from the Hamilton plant. As long as the demand is not there, and they can ship finished product from their U.S. mills to satisfy their Canadian customers, they are under no pressure to restart production in Hamilton.

## And the Rich Get Richer...

While we’ve been locked out, a new report by Merrill Lynch and Caggemini shows the world’s wealthiest people are getting more prosperous – and more numerous – by the day, *The Guardian* newspaper reported.

“The globe’s richest have now recouped the losses they suffered after the 2008 banking crisis. They are richer than ever, and there are more of them – nearly 11 million – than before the recession struck,” *The Guardian* says.

“In the world of the well-heeled, the rich are referred to as ‘high net worth individuals’ (HNWIs) and defined as people who have more than \$1m of free cash,” *The Guardian* writes.

According to “the annual world wealth report,” the wealth of HNWIs around the world reached \$42.7 TRILLION in 2010, rising nearly 10% in a year and surpassing the peak of \$40.7 trillion reached in 2007, “even as austerity budgets were implemented by many governments in the developed world.”

It is not “even as austerity budgets were implemented,” as if they got richer by accident. They got richer BECAUSE of the austerity budgets and anti-social measures such as the ones the Harper government is legislating and U.S. Steel is demanding. We are not “collateral damage.” We are the targets.

*(Guardian News and Media Limited)*

To contact USW Local 1005: Call 905-547-1417 or e-mail [info@uswa1005.ca](mailto:info@uswa1005.ca).  
Visit the website: [www.uswa1005.ca](http://www.uswa1005.ca)