

ICD

President's Report

By: Todd Kegley

NEW YEAR, NEW CLASSES

The ICD Learning Center began 2018 with a very snowy, blowy Open House and Education Fair on Friday, January 12th. We had a few brave souls attend the event with many suggesting we move our Open House to the summer. (Great idea!) For the brave souls who attended, I think they gained valuable insight into our 2018 education plan.



Open house at your ICD headquarters.

We have more classes in 2018 than any previous year that our ICD has been in operation. We added in plenty of new classes to meet many of the various requests. January's weather took a hit on our early classes. We will try to run the Jewelry, Small Business and Bicycle Maintenance class at different dates.

All classes are open for registration now if you are an active team member. You just need to e-mail Jen Kuzdas at Jennifer.Kuzdas@ArcelorMittal.com with your name, the class you would like to take and your employee number if you are new to the program. We have expanded our Woodworking classes. We have several new instructors this year. And we definitely have new classes like Chair Caning, Fly Fishing and Glass Fusing. Plus, we brought back the popular classes like Understanding and Optimizing Your Investments.

Coming up in January, we still have Floor Installation, Document Sharing, Glass Etching, Foundations of Investment, Pizza 101, and Sign Language. If you are interested, you must register. The Pizza 101 class is almost full. The Foundations of Investment is free to you and/or your spouse if they would like to attend. Sign Language is a new class with a new (to us) instructor. So many great classes still left in January.

Don't forget, each team member can use up to \$2000 for these Custom Classes. You also have \$1800 for Tuition Assistance. If you want to take an online program like Lynda.com or Rosetta Stone, you can use \$500 of your Tuition Assistance for these yearlong programs. Did you know the ICD Home Office offers a Scholarship to all active steelworker's children and grandchildren each year?

If you have questions, please call or e-mail Jen Kuzdas, the ICD Coordinator. She would love to help meet your education needs. 219-778-2287 or Jennifer.Kuzdas@ArcelorMittal.com. This is such an amazing benefit. Let us help you find a way to make this benefit work for you.

So we begin 2018 with our resolutions fresh in our minds and more snow and lingering winter conditions reminding us of our proximity to Lake Michigan. While we begin each year with the prospects of renewed hope and new beginnings, this year we are also faced with much trepidation as 2018 is a contract year. As we reflect on the 2015 negotiations, clearly the industry was reeling from rising imports and low prices. The Union was mired in illegal lockouts and unreasonable attacks on workers, blaming us for the state of the domestic steel markets. We fought off ridiculous attempts to dramatically shift the cost of health care to the workers. For almost a year we negotiated with the company for a fair contract. In the end, the only new money came in the form of the hot band bonus payment.

During negotiations the company claimed that the days of \$500 hot band were over and in order to survive we had to pay premiums on our health care and take cuts in vacation pay, holiday pay, and incentives. As USX settled their contract within days of ATI prevailing in court on the grounds of an illegal lockout, a pattern was established for us to mirror. The one difference we carved out was over profit sharing. USX is largely a domestic company and their profit sharing is handled a bit different than ours and in fact their corporate structure is far less complicated than ours. We decided to break away from increasing the pool of profit sharing as they had a USX and adapt the new HB bonus instead. We had anticipated some pricing increase, in large part, due to the duties that we had helped implement through the International Trade Commission on flat rolled carbon and coated sheet steel. This bought us about 5 years and now, with the new section 232 investigation on steel dumping looming, the table may be set early on for 2018 negotiations.

Ironically, the man behind the 232 investigation is Secretary of Commerce Wilbur Ross. Ross was the investor the United Steelworkers worked with to save the old LTV, Bethlehem and a number of other smaller facilities that were in bankruptcy and mostly idled in 2003. Together they formed a company called International Steel Group or ISG. In the midst of the 2004/2005 negotiations, Lakshmi Mittal was approached to acquire ISG and form a new company called Mittal Steel. As a venture capitalist, Ross helped save thousands of steelworker jobs

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UNION MEETING SUMMARIES

By: Kim Rutkowski
Recording Secretary

MINUTES OF MEETINGS

The Local Union Meeting was called to order at 4:15 p.m. on **11/09/17** by Kim Rutkowski.

There was a roll call of officers

President- **Not Present** Vice President- **Not Present** Recording Secretary- **Present** Financial Secretary- **Not Present** Treasurer-**Present**

The minutes of the last meeting were read

Motion to accept Passed

Treasurer Report for October was read
Motion to accepted Passed

President's Report Out (by Tony Novello)

There was a JAC meeting this month.

○ There will be snow cameras installed around the plant to better assess the need when the snow plowing company needs to come out.

○ There will be antennas added at swipe gates to make swiping into the plant easier.

○ There are anticipated open turns for the rest of the year due to automotive sales being very slow. Automotive will continue to be soft after the first of the year.

Grievances:

✦ The Delta Dental is in Step 4

✦ STD case is in Step 3

The recent termination over recording time will be going to Step 4.

○ Time Card audits are to be done every pay period by team rep and resource. If there is an issue, it has to be addressed by the next pay period. This is contractual language.

○ When security goes through retirees' lockers, Todd will escort in the men's locker room and Libbi will escort in the women's locker room.

Training Report

Hirac 3 will have the final classes in December. Hirac 4 will be in 2018

Women of Steel

Angel Tree will be going up within the next week. The names on the tree are identified New Prairie Students that come from low income families. More information will be coming out.

Safety

There will be a 3 day corporate safety audit.

New Business

The Executive Board made a motion to approve \$800 for the Children's Christmas Party. Motion accepted by the floor, seconded by Tony Novello. Motion passed.

Executive board made a motion to spend up to \$5000 for Christmas gifts. Motion accepted by the floor, seconded by Nate Legard. Motion passed.

Executive board made a motion to adjourn. Seconded by Jim Holbert. Motion passed, meeting adjourned.

MINUTES OF MEETINGS

The Local Union Meeting was called to order at 4:15 p.m. on **12/14/17** by Todd Kegley.

There was a roll call of officers

President- **Present** Vice President- **Present** Recording Secretary- **Pre-**

sent Financial Secretary- **Not Present** Treasurer-**Present**

The minutes of the last meeting were read

Motion to accept Passed

Treasurer Report for November was read

Motion to accept Passed

President's Report Out

There was a JAC meeting last week.

There are 2 new Safety Policies

Dangling jewelry and rings are not allowed to be worn in the mill.

The Scaffolding policy.

Todd urged team members to attend their Safety Council Meetings. It is a great opportunity for input and to make change.

Do not use the current respirators.

There are still open turns over the holidays.

Grievances- There are still 2 going to arbitration.

The Dental grievance is moving forward.

There will be a meeting with the company to make sure they follow the time card language and when or if they can go beyond the 2 1/2 weeks.

Instrumentation- There will be a post for that job after the PSC is modified and improved.

There was a locker room injury. There may have to be changes to the combinations to the half lockers and other modifications.

We will resume Work Culture Meetings in January, and every year thereafter. It will be a big year, a tough year in 2018. There will be a survey coming out.

We have started the negotiation process.

Women of Steel

- The Angel Tree was a huge success. The gifts purchased matched the cards perfectly. The "Caring and Sharing" committee that carries out this event through

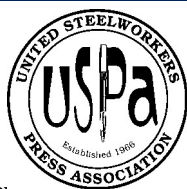
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the New Prairie Schools was very impressed by the generosity of the I/N Team Members.

Tomorrow is the District 7 Annual Meeting.

Safety

There were 2 fatalities in the United States and they were both USW members. One incident involved a Taylor-Dunn buggy that was driven forward instead of reverse. The company said it was a health issue, not an industrial accident. (There was a moment of silence)

New Business

Dave Luce reported out that the Quarterly Audit came out ok.

The Executive Board made a motion to send up to 4 people at the President's discretion, to attend the Martin Luther King, Jr. Civil and Human and Women's Rights Conference, January 12-15, 2018 in Houston. Motion accepted by the floor, seconded by Nate Legard. Motion passed.

Executive board made a motion to increase the amount for Christmas Gifts by \$6000. Motion accepted by the floor, seconded by Brendilyn Geissler. Motion passed.

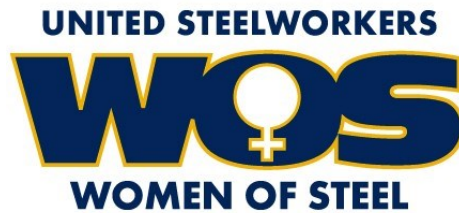
Executive board made a motion to spend \$350 on pizza for the holiday gathering after the monthly meeting. Motion accepted by the floor, seconded by Rick Podkul. Motion passed.

Executive board made a motion for the following 2018 Budgets amounts:

- \$15,000-Solidarity
- \$5000-WOS
- \$5000-Charitable Contribution

Motion accepted by the floor, seconded by Jim Jongkind. Motion passed.

Executive board made a motion to adjourn. Seconded by Marc Poland. Motion passed, meeting adjourned.



The Women of Steel are continuing to collect nonperishable food items, paper products, personal care items and cleaning products for the New Carlisle Community Food Pantry. When I last spoke to the director there, she stated that donations were low and that the need was great. They distribute items to those in need every Friday and then their cupboards are bare, where they used to have much in reserve. Please be as generous as you can and drop off your donations in the cans behind the cafeteria. If you would like to make a monetary donation to the Pantry, Arcelor Mittal has a matching funds program and you can find information on the intranet under the Services tab or email me for information. roxanneromero@arcelormittal.com

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while reaping some nice profits. Now, as Secretary of Commerce, he has another chance to shape the domestic steel industry.

President Trump has made a number of promises aimed at curtailing steel imports, including using section 232 of the 1962 Trade expansion act to determine if there are any negative impacts of imports on national security. To date, Wilbur Ross has issued only one public report on section 232 and that includes carbon and alloy wire rod from South Africa and Ukraine. The department has recommended applying duties on steel from these two countries. The President has 90 days to act on the section 232 review and what comes of it will definitely impact negotiations and our company's profitability.

On the question of profitability, I have been getting a number of questions on the impact of the new corporate tax relief and the effect it has on our profit sharing. The short answer is there is no direct impact on our Profit Sharing. By agreement, the accounting principle utilized by Mittal Steel USA is EBIT, Earnings Before Interest and Taxation. When the profit report comes out in the news we often see huge profit margins claimed by Mittal Steel and yet we get no profit sharing check. First, you must keep in

mind we don't measure the payout on global profits, we don't even use North America profits. The basis for profit sharing is with the facilities under a collective bargaining agreement. If they make a profit in the Ukraine we don't get anything for that nor should we. Those workers in the Ukraine should be rewarded for their efforts, not us, and vice versa. Second, while under the Generally Accepted Accounting Practices (GAAP) EBIT doesn't take into account the tax liability of a company whether it is current or future tax liability. In its simplest form EBIT is total revenue minus cost of goods sold and operating expenses. It is at that point you subtract interest, and taxation thus negating improvements to our profit sharing due to the new tax law. This will lower the tax liability for the company and, in theory I suppose, will encourage the company to invest in our facilities and enhance our wages but this is just a theory. The most likely scenario is that the new influx of money will allow the company to buy back stock which, in turn, will raise stock prices and the already astronomical wealth of our owners.

There are a number of defined line items that are carved out of the calculation for profit sharing and you can find them on page 21 of your contract. The two most notable carve outs are onerous contracts and the unusual, infrequently occurring or extraordinary items such as plant closures, business dispositions and asset sales that are not normal operating charges or credits of the Company. The onerous contract language was added in 2015 and in practice the company could, in essence, run steel purposely at a loss in order to make one of our biggest customers happy and to retain other more profitable products the customer also purchases. The other carve out prevents the company from unfairly or unreasonably taking write offs for acquisitions of new facilities or the shut down or idling of existing facilities. This would include Georgetown and Cochohocken both sold since the last contract and the purchase of the Calvert plant.

Finally, we have a number of new hires here at I/N and we welcome you aboard. We are also gearing up for negotiations and the expectations for wage increases and improvements to our benefits are not unfounded. The last contract provided no wage increases and more shared cost for our health care. We believe we are turning a corner and this company should be able to become profitable with all of the changes coming. This is an important year with Union elections coming in April and negotiations coming, likely in June. Get involved, come to a Union meeting or attend a rally. If we are to succeed, we can only do so if we are together and we are engaged.

I/N SOLIDARITY

Todd Kegley



Contributed by: Jim Pondo

50# LIFT POLICY

On January 2 of this New Year, Arcelormittal corporate safety issued a policy titled "Preventing Overexertion Injuries Involving Heavy Lifts" for all sites to implement. Even though it was issued with the USW logo in the top left corner, make no mistake this policy has **not been agreed to** by our Union. The stated purpose of this policy is to provide risk assessment and controls to reduce potential for overexertion injuries resulting from heavy lifting. What it says is that anything that you do that requires you to lift anything greater than fifty pounds, you must use alternative methods and have those methods documented in either a formal HIRAC or on a HIRAC-lite.

This is a very ill-conceived document obviously written by people with little if any floor experience. Are you able to distinguish between something that weighs fifty pounds and something that weighs fiftyone pounds by looking at it? I know I can't but if you get hurt lifting fiftyone pounds you are subject to discipline but getting hurt lifting fifty pounds is OK. Is the company going to now stencil the weight of everything that is on the shop floor and warehouse? Is the company going to change every job safety analysis (JSA) that requires lifts above fifty pounds? Many JSAs require lifts of seventy and eighty pounds. What if two people team up to lift something that is one hundred and

one pounds? Are they both in violation? I could fill this entire page with these type of questions. The company wants to implement a policy with absolutely no thought given to practical/viable solutions. They are going to let us figure it out on our own and then point to this policy when someone is injured trying to keep the mill running!

Why would they do this? Early last year we had a member injured lifting something heavy. The company disciplined the member for getting hurt even though there was no safety rule or policy violation applicable to the lift. I.O.S.H.A investigated and determined that the company was wrong for disciplining the member and cited & fined them. The company refused to accept I.O.S.H.A's citation so they hired a lawyer who specializes in fighting O.S.H.A. from out of state to fight it in court. It is no coincidence that the company approached the Union with a draft of this proposed policy days after I.O.S.H.A. fined them. Unfortunately, we don't expect a court ruling until at least the end of the summer. The company is fighting the Indiana Department of Labor in court and the USW filed with the court and has been granted party of interest status.

It is the position of our Union not to agree to any policy or rule concerning lifts until the court makes its ruling. It is unfortunate management has forced us into this position, even to the point of using our logo to appear we are in agreement. Sure sets the tone for negotiations doesn't it?

In Solidarity
 Jim Pondo
 Safety Coordinator



While the wheels of government keep turning in DC, nothing of any worth is getting accomplished. Between the politicians and the news media, the focus continues to stay on the nonsense, and so much so that anything of consequence can't get any traction. It has been over 200 days since the current administration promised to take action on the steel dumping that continues to harm American steel. The International just completed an action where they had steelworkers calling in and writing letters, to compel those who need to take action to do what they were sent to Washington DC to do. Also, the "revamp/restructure/replace" of NAFTA is just sitting there with little to no action. While American steelworkers continue to lose their jobs, Washington is trying to figure out "did he really say this or that" or "were the actions taken illegal/racist/impeachable". The International has planned the next National Rapid Response conference for this coming May. Hopefully, they will get moving on the important things, and begin to help workers. Otherwise, when we get there in May, there will be a lot of even more angry steelworkers descending on them demanding action. Please watch your inbox for actions that the International deems necessary, as we try to return the focus on workers, jobs, and the future of our kids.

In Solidarity,
 Buriel W. Smith
 Rapid Response

2017 ADULT



CHRISTMAS PARTY

