



Union Flags Cooperation with Bluescope Steel

The Australian Workers Union (AWU) has said it is willing to work with Bluescope Steel to prevent the closure of the local plant at Port Kembla.

More than 500 steelworkers are at mass union meeting in Wollongong, south of Sydney, to discuss the future for employees.

Australia's biggest steel factory at Port Kembla is in trouble, and the company recently announced a profit but a bleak long-term outlook.

It flagged its intention to shed 500 jobs, which would make the equivalent of \$200 million in savings, or to mothball steel making at Port Kembla. AWU branch secretary Wayne Phillips told workers there was a way forward in the form of intense mediation with Bluescope.

"What else can we do or how can we do it differently to save as many roles as possible but at the same time deliver the savings pretty bloody close to it or more that he's looking for?" he said.



"We'll spend the next few days trying to develop what we see is the way forward which is part of this mediation. We'll sit down and try and resolve the issue between the parties."

Mr Phillips said if the parties could not reach an agreement the issue would be

handled by AWU National Secretary Scott McDine and Bluescope Chief Executive Mark Vassella.

"If they can't resolve it will go to Iain Ross, the boss of the Fair Work Commission. And if he can't resolve it, then we're in the shit," he said. Mr Phillips said members did not like the prospect of job losses. "Members don't like it. We don't like it, but reality says that we have to save our industry," he said. "We know there's going to be less of us by the end of this process and we know that management is going to take a hit as well. "To lose a number of jobs now is better than closing the whole plant, which will devastate this region."

Steelworker Joe da Silva said employees have a range of views on their prospective futures.

"We've got a lot of older employees that really don't mind leaving if they have to. But then you've got young employees and people with big mortgages," he said.

US Industries Disagree to Workers Contract



America's Labor Day was late this year, falling during the second week of September instead of the first. But that's okay because anticipated big labor news was late as well.

This Labor Day came sandwiched between major union contract expirations at steelmakers US Steel and ArcelorMittal on September 1 and at General Motors, Ford and Fiat Chrysler on September 14 and all these contracts have been extended as work towards settlements continue.

Like Christmas without snow or

Thanksgiving without turkey, Labor Day without labor peace may have been a letdown for unionized steelworkers, but it was expected by many.

The August lockout of more than 2,000 United Steelworkers at Allegheny Technologies Inc. set the tone. The

stainless steel producer is replacing union members with salaried and non-union workers while negotiations for a new contract continue, despite the USW's offer to stay on the job.

With such contentiousness seeping a new into labor-management relations in one of the few remaining high-paying unionized industries some speculated there could be steel production stoppages at ArcelorMittal and USS, more likely due to lockouts than strikes, reflecting the companies leverage in the current round of negotiations.

Steel demand is weak and some time off to reduce inventories might be just what the doctor ordered. Besides, profits of unionized integrated steelmakers are down or non-existent, making it difficult for the USW to seek gains in the three-year pacts being negotiated and easier for the steelmakers to seek concessions.

It is a different story in the auto industry where companies are highly profitable and production is key to continued success. Unionized Fiat Chrysler workers were ready to walk as the old contract was approaching its expiration and some briefly did before the company and the union agreed to extend the contract on an hour-by-hour basis. A tentative deal was worked out later, but remains subject to ratification.

Ford and GM had extended their contracts earlier, but the focus was on Fiat Chrysler, which the UAW targeted for the bellwether settlement that Ford and Chrysler would be obliged to accept. All these USW and UAW contract expirations could have a big impact on the steel and metals markets as automakers are their premier customers. Coincidentally, they come at a post-Great Recession time when it's unclear how much clout unions can exercise.