



Harper Government Capitulates to U.S. Steel

*Press Release, Rolf Gerstenberger, President
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Local 1005 USW condemns the Harper government for letting U.S. Steel off the hook for the damage it has caused the Hamilton region steel communities since seizing Stelco in 2007. The announced \$50 million settlement in the Attorney-General's lawsuit is a pittance compared with the hundreds of millions of dollars in actual and potential value that U.S. Steel has ripped out of our communities.

U.S. Steel's commitment to continue operations only until 2015 sounds like a threat to close operations completely at that time and abandon the pension funds. Local 1005 will immediately step up the work to defend the pension funds using all means at our disposal. We have not received any guarantees either from the company or from governments that they will make the pension funds secure and whole by 2015. On the contrary, U.S. Steel executives have made threats saying that the pension funds and other benefits are not their responsibility as they were contracted with Stelco.

The Harper settlement is made even more outrageous by the fact that Hamilton Works' blast furnace is still idle and the Max Aicher North America (MANA) plant is being shut down December 18 because of the lack of cooperation from U.S. Steel. What kind of guarantees are these when Hamilton Works is barely operating at a greatly reduced capacity, and steel production at any level is only guaranteed until 2015!

The Harper settlement does not address the demands of steelworkers that U.S. Steel should pay wages and union dues for the period when it was not in compliance under the *Investment Canada Act*. It also ignores the possibilities under the terms of the lawsuit that U.S. Steel would have been forced to produce steel at full capacity for three years from the date of settlement. This would have required a great deal of investment well beyond the paltry \$50 million.

U.S. Steel spokeswoman Erin DiPietro may think "this unfortunate dispute with the Government of Canada [has been] resolved amicably" but that is not our view at all. The dispute with Canadians and steelworkers over production levels and pensions is far from over and in fact will become even more intense with this phony settlement.

The settlement and insecurity that the government's capitulation brings reveal once again the danger of having Canada's basic industries in the hands of foreign global monopolies. Local 1005 will speak with all our fellow Canadians that a new direction for the economy is necessary. This constant capitulation to global monopolies must stop. Canadians must have control over their basic industries such as steel.

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