

NEWS



from the United Steelworkers of America

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USWA Says New LTV Buyer Committed to Fair Treatment of Workers, Strong Federal Action to Save American Steel

Pittsburgh -- The United Steelworkers of America (USWA) today welcomed what it called "a new ally in the fight to win strong federal action to save the American steel industry," with the announcement that WL Ross & Co. LLC has agreed to acquire all the facilities of LTV's steel division.

"This deal, if the President follows through on his commitments to the steel industry, will save the jobs of many steelworkers at LTV," said USWA President Leo W. Gerard.

"We're pleased to have gained a new ally," he added, "that's totally committed to winning maximum tariffs on steel imports and federal legislation to protect the health care benefits of thousands of retirees who will have lost their coverage as a result of LTV's liquidation. We all know that for this company and the industry to compete on a level playing field, President Bush needs to impose 40% tariffs to break the cycle of unfair trade that is devastating American steel communities.

"I look forward to working with a management that believes in a world class steel industry," Gerard said.

In announcing an agreement to acquire LTV's steel division facilities, Mr. Ross urged President Bush to impose strong tariffs on imports by March 6 and has told the Steelworkers that he will lobby for the federal legacy cost relief essential for the restructuring and consolidation of the American steel industry.

LTV has announced that retiree health care benefits currently being paid with Voluntary Employee Benefit Association (VEBA) funds will be exhausted by March 31.

USWA District 1 Director David McCall, who played an instrumental role in identifying the new company, said that WL Ross' agreement to purchase LTV's steel assets "promises a positive new labor relationship with a company that recognizes the value of workers who have operated the LTV facilities at world class levels of productivity."

McCall said that discussions with the new buyer have led to an agreement by the company "to hire our members from LTV at all steel division facilities, and have included discussions about new capital investments."

The new company, he said, "is committed to engaging in collective bargaining with the Union for wages and benefits competitive with the steel industry."

The announcement comes just two days before the Steelworkers "Countdown to Justice" rally scheduled for Thursday at the Ellipse outside the White House, where as many as 10,000 steelworkers and members of steel communities from throughout the nation's industrial heartland will gather to urge President Bush to impose 40% tariffs on imported steel.

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