



LOCAL UNION 4974

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2008 Contract Negotiations

Update #1

**To All Members and Retirees of Cleveland-Cliffs Michigan
“ Marquette Iron Range Operations”**

For Immediate Release:

Monday, March 31, 2008

We have summarized the recent events in an effort to update and keep everyone informed on the status of the 2008 Round of Bargaining.

A meeting had been tentatively scheduled for March 6th, 2008 between the lead negotiators Bob Bratulich, District 11 Director of United Steelworkers (USW) and Randy Kummer, Senior Human Resources Representative of Cleveland-Cliffs. While canceling the March 6th meeting, a company spokesman stated in no uncertain terms that Cleveland-Cliffs fully intends to operate all four mines in the event of a labor dispute. He indicated this would be accomplished through the use of the present salaried work force, supplemented by replacement (SCAB) workers while claiming Cleveland Cliffs was interested in making a deal with the USW. All this was prior to any talks taking place or any of the four local unions even considering a strike authorization vote of the membership. Cliff’s representative went on to indicate that they would like to reschedule the meeting at a later date.

On Friday, March 28th, Mr. Bratulich held a conference call with the four USW locals representing the Cleveland-Cliffs operations in Michigan and Minnesota. This was to update the union leadership regarding a Wednesday, March 19th meeting with the company held in Minneapolis to discuss details relative to upcoming negotiations. Mr. Bratulich described the meeting as being superficial at best with the company expressing a desire to negotiate sooner rather than later with a hopeful start date in July. They claimed to be concerned about having an adequate time to address proposals. Mr. Bratulich countered with a possible August start date due to the fact that the agreement

and/or proposals from the Arcelor-Mittal round of negotiations could be taken and adapted to Cliffs bargaining. Bratulich suggested that the local parties should begin discussions on issues relative to working conditions at the respective Cliffs managed Michigan and Minnesota operations. He said this could be started as soon as possible in an effort to resolve local issues prior to main table economic talks, which are to be held at a later date. Mr. Kummer stated Cliffs has no desire to begin early discussions at the local level and that he did not believe local issues would prevent the parties from reaching an agreement.

Cliffs previously stated that they wished to negotiate a pre-hire labor agreement with the USW regarding the proposed Iron Nugget Facility to be located at the Empire Mine. Mr. Bratulich had suggested in the fall of 2007 to Cliffs that they approach the Michigan Local Unions in an effort to come to terms regarding a pre-hire agreement. This has now been flatly rejected, with Cliffs indicating it has no desire to meet with the locals. They have now stated that a pre-hire agreement is not necessary and they will rely on the neutrality provisions of the current agreement in dealing with the new Iron Nugget Operation.

There was some discussion of the locals meeting in July with Cary Burnell a benefits technician from the Steelworkers International and Cliffs Benefit Department to discuss the ongoing insurance issues. These talks would center around the present insurance programs and attempt to reach agreement on what the 2004 Mock-up of Benefits should be prior to, the main table insurance discussions in the August 2008 round of bargaining. This would at least allow the Parties to discuss issues under an agreed to format going forward.

Arcelor-Mittal Steel the worlds largest steel producer and the USW are scheduled to begin contract talks on April 6th. Arcelor-Mittal, U.S. Steel, and Cleveland-Cliffs all have common contract expiration dates of September 1st, 2008.

We will continue to put out updates as new information develops and becomes available in an effort to dispel rumors and miss-information that may be circulating in the work place or the Community.

In Solidarity,

USW Local 4974 Negotiating Committee

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Tony Lakenen	Vice-President
Wayne Johnson	Recording Secretary
Paul Aho	Financial Secretary
Ann Beauchaine	Treasurer

View this and all negotiation updates on the web at WWW.LOCAL4974.ORG

“Some men see things as they are and say, why. I dream of things that never were and say, why not.” RFK