



**USW LOCALS 4950 AND 4974 /
CLIFFS NATURAL RESOURCES**
CONTRACT NEGOTIATION UPDATE #1

MEMBERSHIP UPDATE

Wednesday July 25, 2012

In an effort to keep the membership informed of events related to our 2012 contract negotiations, we will provide periodic updates as events unfold.

June 18th and 19th the parties met locally and exchanged range wide and local issues. The parties explained each other's positions, and the reasoning behind each proposal.

After providing time to assess and respond to the issues presented, the parties resumed local issue bargaining July 17th. Committees met for full days on the 17th, 18th, and 20th and resumed local issue bargaining again on the 24th and the 26th.

The parties are still working through, whether proposals tendered are "top table", "range wide" or actual mine specific local issues. Top table issues will be forwarded to the International Union for inclusion in our overall economic and benefit proposals.

Range wide (common to both locals) issues will be discussed jointly by the two local unions and company representatives, for inclusion in our range wide basic labor agreement.

Mine specific local issues will be negotiated by the specific local union (either 4950 or 4974).

As of today progress has been slow, but the Negotiating Committees are committed to meeting as necessary in good faith in order to reach a fair and equitable settlement, worthy of the membership's consideration.

All the union negotiating committees, four in all, which include Hibbing Local 2705 and U-TAC Local 6860, will be meeting Tuesday morning July 31st, in Pittsburgh, PA, to review proposals, progress to date, and prepare for the upcoming presentation of an overall wage and benefit proposals to the company.

The negotiating committees are thankful for your continued support as we work our way through what can be an extremely slow and trying process.

In Solidarity, Your USW Negotiating Committees