NEWS

from the United Steelworkers of America



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USWA Questions National Safety Council's Choice for Inaugural Award

AK Steel CEO Wardrop to Receive "Green Cross for Safety" Medallion as OSHA Citations Pile-Up in Mansfield

MANSFIELD, Ohio - The United Steelworkers of America (USWA) announced today that the National Safety Council's (NSC) selection of AK Steel's (NYSE: AKS) CEO, Richard M. Wardrop, Jr., to receive the first "Green Cross for Safety" Medallion raises questions and concerns about the integrity and credibility of the award.

According to an AK Steel release, Wardrop is being honored for "his longstanding commitment to workplace safety and corporate citizenship."

In fact, AK Steel and its contractor, Motorized Assisted Deliveries, Incorporated (MADI) have been assessed fines totaling over \$50,000 by the Occupational Safety and Health Administration (OSHA) in the last week for numerous health and safety violations at the company's Mansfield plant.

According to a July 7, 2000 OSHA citation, AK Steel was assessed a fine of \$8,500 for three different violations. A 36-inch grinding wheel exploded due to the operator's failure to inspect it for damage before using it. AK has also been assessed a fine for having "electrical installations, rated over 600 volts nominal, having exposed live parts . . . accessible to unqualified persons." The third and possibly most disturbing violation was for the company improperly reporting occupational injuries and illnesses on several occasions.

OSHA has also cited MADI, who has been providing replacement personnel to AK Steel. The company was assessed a fine of \$44,000 when a MADI employee working at AK Steel's Mansfield plant was not given, nor required to wear protective gear to guard against burns. Subsequently, the employee's clothing caught on fire and he or she narrowly escaped being severely burned.

MADI was also assessed a fine for shoddy record keeping and incomplete occupational injury and illness logs required by OSHA.

AK Steel's corporate citizenship under Wardrop has also been a subject under scrutiny lately. Despite repeated invitations from USWA negotiators, Wardrop and AK Steel have refused to engage in around-the-clock bargaining sessions since the company (then Armco) locked-out 620 families in Mansfield on September 1, 1999.

The United States Department of Justice recently filed suit against AK Steel and accused the company's Middletown, Ohio plant of repeatedly violating air and water pollution standards over the last seven years, including the federal Clean Air Act, Clean Water Act and the Resource Conservation and Recovery Act. In one case, approximately 12,700 fish died because of an AK chemical spill.

Last month, the U.S. Environmental Protection Agency (EPA) ordered the company to provide safe drinking water to the Pennsylvania borough of Zelienople and reduce dangerous nitrate discharges into the nearby Connoquenessing Creek, which serves as the secondary water source for approximately 4,400 people.

Being the corporate citizen it is, Wardrop's AK Steel has appealed the EPA ruling twice.

"In light of these recent OSHA citations and AK Steel's questionable environmental record, the NSC's selection of Wardrop to receive its first-ever safety award raises serious questions," said USWA District 1 Director Dave McCall.

"Companies like AK Steel, which has locked-out 620 families in Mansfield, polluted the communities of Butler, PA and Middletown, OH and now been cited by OSHA for improperly reporting accidents should not be rewarded in this way - they should be punished."

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