



INFORMATION UPDATE #6

March 7, 2011

The Federal Budget -- Who Decides? Oppose Government Cutbacks to Public Services and Privatization of Federal Assets Like Canada Post!

On May First Join Local 1005 on Parliament Hill!

The federal budget which Finance Minister Jim Flaherty says will be tabled on March 22, among other things, is expected to follow through with the decision of the 2010 budget to cut program spending by \$17.6 billion by March 2015 and "lead to a balanced budget" by that time. These cuts include a two-year freeze on salary and operating budgets "of all departments," a "strategic review of government operations" requiring all departments to assess their programs and identify five per cent of their lowest priorities and their "lower performing" ones, and the continuing review of government corporate assets, such as crown corporations, with three possible options: status quo, amendments or privatization.

In the run-up to the budget, the right-wing Fraser Institute and Frontier Centre for Public Policy have made extremist recommendations on what the budget should contain.

The Fraser Institute has asked Flaherty to emulate the Liberal budget of 1995 which eliminated the federal deficit in two years and, according to the Institute, "led Canada to a decade of prosperity." It wants the March budget to accomplish this by reducing program spending by \$10.9 billion in the 2011-2012 period compared to 2010-2011 and by another \$11 billion in 2012-2013. The Institute advocates this be done in two ways: deep cuts to programs and deep reductions in health transfer payments to the provinces. In exchange, the Institute suggests granting the provinces "greater flexibility and autonomy in delivering health care." The Fraser Institute also says that one of the greatest achievements of the Martin budget was the elimination of 45,000 federal public sector jobs and the changes in the nature of the federal/provincial transfers so that funds were provided with no ties related to how they were spent. Meanwhile, the Frontier Centre for Public Policy is calling for deep wage cuts for the public sector workers in order to balance the federal budget as soon as possible.

By seeming to follow his own prescription, not those of the Fraser Institute and Frontier Centre, Flaherty can pretend his budget is "moderate" and "mainstream," not right-wing extremist. In fact, whether he goes for his own prescription or that of his business friends, on March 22 it means cutting back on the wages, benefits and pensions of civil servants, privatizing federal assets like Canada Post and giving the provinces free rein to privatize social programs.

***Demand that Governments Uphold Public Right Not Monopoly Right!
Demonstrate May First on Parliament Hill!***

Local 1005 Participates in March 3 Pension Forums

On March 3, the Canadian Labour Congress in conjunction with the Toronto & York Region Labour Council and the Waterloo Regional Labour Council held meetings entitled "Defending Our Pensions and Expanding Retirement Security for All." The Waterloo forum which had about 150 workers in attendance consisted of presentations by speakers from the CLC on the Canada Pension Plan and why it is necessary to increase the benefits so that workers can retire with some security. Held at the CAW hall in Kitchener, the meeting also featured CAW President Ken Lewenza and Local 1005 President Rolf Gerstenberger. Lewenza outlined why the CAW was supporting the latest initiative by the CLC to increase CPP. Gerstenberger gave a brief history of Local 1005's struggle to prevent the previous Stelco from getting out of its pension obligations using bankruptcy protection (CCAA), and the present attempt by U.S. Steel to get out of its pension obligations using the lockout. He also called on the workers to go to Parliament Hill on May First to raise their voice on this important issue of security in retirement for all.

The Toronto forum had about 400 participants including a delegation from Local 1005, with a similar presentation from a CLC representative as well as a worker from Wisconsin who spoke about the struggle there. Local 1005's resident poet Bill Mahoney also performed a poem entitled "Join Us May First on Parliament Hill" which was warmly received.

United Steel Workers of Montreal Band Joins Locked Out Steelworkers at Wilcox Gate

On the afternoon of March 5, the band United Steelworkers of Montreal, presented a lively concert of "blues, jazz, country and swing" to about 70 locked out members of Local 1005 at the Wilcox Gate. Songs included "Shot Tower" (the story of workers who produced lead shot in a tower in Montreal, who ended up getting lead poisoning), "The Line" and "Union Man." Band leader Gern F. recalled that the band had played on May 1, 2004 at the large rally Local 1005 organized at Copps Coliseum. "It was an honour then to join you in opposing the fraudulent CCAA, and it is an honour today to play at the picket line," he said. The band stayed on the line for over two hours.



----- Poem -----

Join Us May First on Parliament Hill - Bill Mahoney -

*Join us in Ottawa on May Day
Remember, it is not a Play Day;
Too many go without a pay day.*

*People hurting, people broke
Harper thinks it's all a joke
I wish upon his lies he'd choke.*

*It makes my blood run cold
To hear the lies we're being told.
Who will calm the widow's fears,
who will wipe away her tears.*

*What will you say when seniors ask
Is their pension going to last?
Will these bad times ever pass?*

*Workers are being thrown out the door
Justice treated like a whore;
The rich keep demanding more
They don't care about the poor.*

*Our companies are in foreign hands,
They call the shots from foreign lands.
They try to rule with an iron fist,
It is our duty to resist.*

*There is a class war going on,
We're under attack.
All the gains we have made,
The rich, they want them back.*

*We can't sit back like a bunch of fools,
While the rich write their own rules.*

*Locking up the factories,
and closing down the schools.*

*There's money for bankers, CEO's and war,
Nothing for workers, the elderly, the poor.
All our years of struggle, all our years of hope
Now our future is walking a tight rope.*

*Labour will not stumble, our union will not fall,
An injury to one is an injury to all.
Come all you workers and
heed the battle call!*

*If you want to stop Harper,
while it's possible still,
Join us May First on Parliament Hill!*

**For information on buses to Parliament Hill on May First,
contact USW Local 1005: Call 905-547-1417 or e-mail info@uswa1005.ca.
Visit the website: www.uswa1005.ca**