



INFORMATION UPDATE #41 **November 23, 2009**

MORE SYMPTOMS OF THE CRISIS OF THE SYSTEM

There were several reports released recently in Hamilton which are symptoms that the system is in crisis. It was recently reported that Hamilton's welfare caseload has increased by almost 3000 cases. In September 2008 there were 10,056 welfare cases while in September 2009 this number had increased to 12,883. It was also reported that the number of people who used food banks was the highest ever recorded by a Hamilton Hunger Count Report. The number of households who used food banks increased by 23.3 per cent, reaching 7,685. The number of individuals rose by 25 per cent to 19,602. It was also reported that in the Hamilton and Niagara area, individual bankruptcies rose by 36 per cent in September 2009 over September 2008. (In Canada the increase was 33 per cent.)

One year ago, on December 12, 2008 Local 1005 USW began a series of weekly pickets in downtown Hamilton which are continuing to this day. We began the pickets to declare that **LAYOFFS AND CONCESSIONS ARE NOT SOLUTIONS! AND MANUFACTURING YES! NATION-WRECKING NO!** What we pointed out at the time was that laying off hundreds of thousands of workers in Hamilton, Ontario and Canada would not solve any problems in the economy. In fact, these thousands of layoffs would just make the economic crisis worse. We pointed out that by wiping out whole sectors of the Canadian economy our nation is being wrecked and this should be opposed. Not only would wiping out manufacturing result in workers losing their jobs, but the means by which the wealth is created in Canada is being wiped out, and this will cause a further crisis in that health, education and social services would go into further crisis, since the means by which the society can afford the necessities are being eliminated.

Why are these layoffs allowed? Laying workers off makes the economic crisis worse, so it should not be allowed. The reality is that workers at this time are lacking the power to determine what happens in the economy. The workers do not have the political power to curb the monopolies so that they cannot take measures to harm the economy or wreck the nation. We know that we want the economy to serve us, we know that these mines, mills and factories should be used to satisfy the needs of the people, but still measures are taken every day to close perfectly good factories because of the "economic crisis".

FOR YOUR INFORMATION: THE SITUATION AT STELCO

The experience of the Stelco workers is shared by most workers across Canada. Stelco filed for bankruptcy protection in 2004 in order to convince or force the workers to give concessions; in fact the plan was to steal the wages, benefits and pensions from the workers and transfer it to the banks, hedge funds and owners of Stelco. The Stelco capitalists were not successful. However, they did engineer that Rodne Mott, Tricap and several other vulture capitalists seized Stelco, arranged a \$150 million 1% interest loan from the provincial government and with this loan they purchased the shares of the "new" Stelco, and in 18 months they turned this into a windfall of over \$1.1 billion. These vultures made 700% on their money (loaned by the provincial government) and then absconded with the money. U.S. Steel purchased Stelco as of October 31, 2007, ran it for one year, and then proceeded to shut down the blast furnace in Hamilton in October 2008, and shut down the whole of Stelco beginning in March 2009. U.S. Steel has now locked out the Lake Erie Workers as of August 3, 2009. They want to use the slow down in the economy to force these workers to give in to concessions. As of July, 2009 the 900 workers still active at Hamilton Works have been recalled, but up to this time they are only producing slabs and

shipping the slabs to the U.S. Steel plants in the U.S.(It should be noted that producing slabs and shipping slabs is analogous to cutting trees down in the lumber industry and sending the logs abroad to be processed.) All the orders that used to be filled by Stelco(except for the customers that have gone to other local steel companies) are now being filled from the plants in the U.S. The Lake Erie plant and the whole finishing end of Hamilton Works are shut down.

THERE IS A NEED FOR THE ONTARIO WORKERS TO BE POLITICAL

The Ontario Federation of Labour (OFL) Convention is being held this week in Toronto. We will hear many horror stories about the situation facing the workers in Ontario, whether it is the situation facing the lumber industry workers, the miners from the North, the autoworkers, and the public sector workers, the experience of the workers is one attempt after the other by the corporations and the financiers to squeeze concessions out of the workers, whether it is through the use of CCAA or just the threat of closures, the efforts to use the economic crisis to convince the workers to give up their claims, or whether it is just the complete wrecking of the economy and the wiping out of manufacturing sector. Everyone is asking "What do We do About this?"

Workers cannot allow themselves to be marginalized nor can they take a wait-and-see attitude. The necessity is for change and that necessity is calling upon Ontario workers to be political, to elaborate a pro-social alternative for society and organize to put themselves in positions of political power to be effective at curbing the power of the monopolies and for renewal of the economic, political and social arrangements in ways that favour the people.

JOIN US

DEMONSTRATION AND RALLY

**MONDAY—DECEMBER 14, 2009--3:30 P.M.-- GORE PARK
MANUFACTURING, YES! NATION WRECKING, NO!**

WHOSE ECONOMY, OUR ECONOMY!

WHO DECIDES, WE DECIDE!

LAYOFFS AND CONCESSIONS ARE NOT SOLUTIONS!

Many of our readers downtown are asking us what can they do. We are distributing these leaflets downtown first of all to keep the Hamilton community informed about what our concerns are. Secondly, some time in the future we may need the help of the community. At this time we only want people to come support us on December 14, 2009 at our rally.

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