

# JOIN US AT THE OPENING OF PARLIAMENT OTTAWA – MONDAY, SEPTEMBER 26, 2005 – 11:00 a.m.

## OPPOSE CCAA AND BILL C-55!

Local 1005 is asking for your support in its campaign to oppose the Companies' Creditors Arrangement Act (CCAA) and the proposed changes under Bill C-55 ("An Act to Establish the Wage Earner Protection Program Act, to Amend the Bankruptcy and Insolvency Act and the Companies' Creditors Arrangement Act and to Make Consequential Amendments to Other Acts").

Current CCAA legislation has been in place since the early 1900s. This legislation was rarely used until just the past couple of decades when it was rediscovered by corporate Canada to be a useful tool to break collective agreements, off-load pension obligations, change work rules and reduce benefits to workers and retirees. Under CCAA, unions and workers are expected to compromise and give concessions so a company can restructure and become competitive again, i.e. increase the profits of a tiny handful. The CCAA gives power to corporate Canada to blame workers' wages, benefits, work rules and pensions for economic problems and demand concessions as solutions. The proposed changes would even strengthen that unjust power and leave workers and retirees suffering the burden of a bankruptcy.

### \* Local 1005 Has Refused to Negotiate Concessions Under CCAA

Local 1005 represents workers at Stelco Hamilton, which was granted CCAA protection January 29, 2004 and is still under it. This is a Stay Order which gives Stelco the ability to break almost every law in Canada. Our members have been affected. In CCAA the company is usually protected against the union going to arbitration. We have had injured workers laid off improperly, many with over 30 years of service; our Financial Secretary was fired without merit; and Stelco has violated our collective agreement at will. Due to our local's principled defence of our members' rights, none of this has succeeded. Nonetheless, Stelco is now entering into its 20th month of protection. During that time it has made record profits yet is still looking for concessions!

### \* Our Collective Rights Are Being Violated Under CCAA

Our pension plan is a defined benefit plan, which was previously negotiated as part of our collective agreement and has been a priority over wage increases in recent negotiations. It is clear the main reason Stelco is using CCAA is to try to off-load its pension obligations. This position was made clear by Fred Telmer, acting CEO of Stelco in the fall of 2003, when he stated that Stelco may require a formal CCAA Restructuring Plan to get out of its pension



obligations. On the day Stelco entered CCAA, it put out a press release stating other companies have used CCAA successfully and that it intended to do it too.

Furthermore, in 1996 the Ontario provincial government secretly allowed Stelco to use a pension election called the Too-Big-to-Fail clause just 4 years after Stelco almost filed for bankruptcy in 1992. From 1996 the provincial government allowed Stelco not to fund our pension plan properly.

### \* Bill C-55: Big Business Has Found a New Way to Break Unions

In the proposed changes under C-55, the judge presiding over the CCAA would have the authority to force a union to enter into negotiations with the intention to give concessions. Section 33(2) states: "A debtor company that is a party to a collective agreement and that is unable to reach a voluntary agreement with the bargaining agent to revise any of the provisions of the collective agreement may, on giving five days notice to the bargaining agent, apply to the court for an order authorizing the company to serve a notice to bargain under the laws of the jurisdiction governing collective bargaining between the company and the bargaining agent." (emphasis added) This proposal could be a result of Local 1005's principled position not to be involved in negotiations to give concessions under CCAA, especially with a company making record profits.

### \* Oppose Bill C-55!

For these reasons we oppose CCAA and the proposed changes under Bill C-55. CCAA and the proposed changes do not deal with the causes of bankruptcy and do nothing to help the situation for the better. They blame workers for the economic problems, attack their collective rights and do not offer redress for organized or unorganized workers during a bankruptcy. A government must take up its responsibility during a bankruptcy and protect the public good and legally binding collective rights of workers. It should not provide a public forum and institution for corporate Canada to attack the rights of workers and allow companies and the government to abandon their responsibilities towards the livelihoods and pensions of Canadian workers.

We demand our collective rights under all economic conditions, and redress during the bankruptcy process. Bankruptcy should not be an occasion to attack workers; it should be a time to deal with the real underlying economic causes and uphold the public good and Canada's social economy.

**LAWS MUST ENSHRINE THE GOVERNMENT'S DUTY TO SOCIETY:  
NO TO GOVERNMENT INTERVENTION ON BEHALF OF THE MONOPLIES!  
IN THE SPIRIT OF '46: FIGHT FOR THE DIGNITY OF LABOUR!  
JOIN US IN THIS JUST STRUGGLE!**



### GET ON THE BUS TO OTTAWA!

Meet at the Sears parking lot at Kenilworth Ave. Arrive at 4:30 a.m. - buses will leave at 5:00 a.m. sharp! There are 5 buses with 225 seats. Refreshments and 1 meal will be provided. Coach buses have washrooms. First come first served. Call the union hall at (905) 547-1417. If you sign up and can't make it, please call the hall.