



**MEDIA RELEASE**  
*USW Local 1005, November 7, 2005*

**Stand Up for Stelco Rally**  
**- Speech of Rolf Gerstenberger, President -**  
**Hamilton City Hall, November 7, 2005**

*On the occasion of the Stand Up for Stelco Rally, Local 1005 is publishing the text of the speech written for President Rolf Gerstenberger by Louise Frogget, spouse of Local 1005 retiree Don Frogget. Louise and Don are active participants in Local 1005's Thursday meetings. The position expressed by Louise in this presentation eloquently captures the position of Local 1005 and its President. Thank you Louise.*

**We Have a Dream**  
**- Louise Frogget -**

We're all here today for essentially the same reason. We're here to support Stelco, a company that has been an integral part of our community for over 100 years.

When we look out from here, our location in front of city hall, we see Stelco all around us. In the bones of our office towers, the vehicles passing, and in the souls of our citizens. Every part of Hamilton is tied to the steel industry.

In many ways, Local 1005 is the face of Stelco. Through our 3,000 active members and more than 7,000 retirees, we are everywhere in our community. We are your family, your friends and neighbours, and your constituents. We are your customers and your taxpayers.

Stelco has been in trouble for a long time. The CCAA filing on January 29, 2004 wasn't the beginning of the problem, but the result of it. Many years of poor decision-making brought us to this point. Throughout all this time, Local 1005 members have gone to work and done their jobs, making the steel this community depends on.

In 1996, the Government of Ontario irresponsibly allowed Stelco to take advantage of the 5.1 election. In other words, to under-fund the pension plan. Even though the major criterion was the "too big to fail" clause, Stelco was given a break regardless of the fact it was at the brink of bankruptcy in the early 1990s. Even though it was not eligible, the provincial government allowed Stelco to short-change all of us.

Because of this, the provincial government must bear a huge amount of responsibility for the problem we are grappling to solve. And now, they think they can get off the hook by throwing 100 million dollars at the pension plan? A plan that is 1.3 billion dollars under-funded! Local 1005 cannot be bought for 100 million dollars! The well-being and the future of the city of Hamilton cannot be bought for 100 million dollars!

The federal government is not blameless, either. While Stelco struggles to come to terms with the situation, where are the federal Liberals? They are looking the other way while vultures are circling Canada's largest steelmaker. They are looking the other way while Canada is at risk of becoming a steel importer instead of a leading steel producer. They are looking the other way and showing little concern that Canada might lose autonomy over one of the critical building blocks of our society. They are willing to allow offshore companies to control us. We look to the federal government for leadership; all we get is silence.

There has been a lot of criticism because Local 1005 has not participated in the restructuring process. We did not participate because, unlike other locals, 1005 has a contract through July 2006. Contracts still mean something in Canada. We did not participate because we would have been prevented from consulting with our membership. We would not have had the value of their comments as we attempted to navigate a hugely complex situation. And, Local 1005 did not participate because we refuse to sacrifice our pensioners. Since the summer of 2003 our pensioners have been under attack as Stelco tries to dump its so-called legacy costs.

Through its more than 10,000 people and their families, Local 1005 has more at stake than any other group in this restructuring process. No one wants Stelco to survive and prosper more than 1005. That's why Local 1005 wants a viable solution as Stelco exits CCAA protection.

1005 wants a company that can meet its financial obligations, not one that will be crippled by debt. 1005 wants a company with a strong plan for moving forward, not one that throws new money at out-dated ideas. 1005 wants real solutions, not patchwork fixes that will result in another visit to CCAA in two years' time.

There has been a lot of rhetoric regarding the viability of Hilton Works in comparison to Lake Erie. Hilton Works is just as efficient as Nanticoke. Both plants have outdated areas, just as both have components that are state-of-the-art. In reality, the two facilities are completely intertwined, working together to produce high-end products.

So, what is the problem at Hilton Works? The pensioners. The workers who laid their lives on the line, who worked 30, 40 or more years to produce the steel, are now only seen as "legacy costs." Not as human beings with families, but as liabilities against the bottom-line.

As was said before, and will certainly be said again, "I have a dream!" In our dream, as active and retired Stelco workers, as current and former members of Local 1005, we see workers being treated with respect and dignity. We see agreements being honoured and people taking responsibility for their actions. We see our pensioners resting easy knowing their future is secure.

And we see a bright future for Hamilton. One in which Stelco is a major player, contributing to the tax base and once again contributing to the fabric of our community.