

June 12, 2010



PRESIDENT'S ACTION UPDATE

CANADA'S LARGEST LABOUR
FEDERATION ADVOCATING FOR
ONE MILLION WORKERS

OFL/FTO

ONTARIO FEDERATION OF LABOUR

SID RYAN - PRESIDENT



Message from the President

As we go to print with this issue of the Action Update, I am pleased to report that the concerted campaign by Labour on Canada Pension Plan (CPP) reform has had results. Ontario Finance Minister Dwight Duncan publicly announced support for an expansion of CPP.

This news is significant since Ontario represents one-third of Canada's population and without support from Ontario, it would be virtually impossible for a pan-Canadian consensus to emerge.

When we met with Minister Duncan earlier this year, initially he was not supportive but came around once he explored and understood Labour's position (see article on Pension Roundtable). We are delighted that he is now pushing for public pension reform.

Duncan's statement came on the eve of a key meeting between federal Finance Minister Jim Flaherty and provincial and territorial finance ministers' at their June 13-14 conference in Prince Edward Island. Flaherty himself has also just called for talks on modest increases in Canada Pension Plan payroll premiums. Indeed, at the OFL-CLC Pension Summit in March, Flaherty saw first hand just how mobilised the labour movement is on CPP expansion.

It's too early to declare victory, but we will watch developments with cautious optimism as the talks unfold. The fact that labour's vision for modernizing the public pension system is now under serious consideration across Canada shows that when we all work together, the labour movement is an unstoppable progressive force. A special thank you must go out to all the affiliates and retirees who embraced this campaign.

In solidarity,

Sid Ryan,
President, Ontario Federation of Labour

Injured Workers' Day: June 1

On June 1, hundreds gathered on the lawns of Queen's Park for Injured Workers' Day, rallying against any move to cut benefits to injured workers.

A 2009 Auditor General report that highlighted mounting unfunded liability for the Workplace Safety and Insurance Board (WSIB) and left the door open to cuts in income support for injured workers.

OFL President Sid Ryan addressed the crowd: "Too many injured workers are already living at or below poverty levels. Yet once again, these workers are being asked to pay for a problem they didn't create."



During the mid-1990s, Conservative Premier Mike Harris allowed employers to reduce their contributions to the workers' compensation system. "The unfunded liability that exists today is a direct result of these handouts to employers," he said. "If the employers were paying today what they paid 15 years ago, there wouldn't be a problem."

"We need to be clear: Tory MPPs Randy Hillier and Tim Hudak want some of the most vulnerable workers to take it on the chin through cuts to their income support," said Ryan. "That's how they'll get rid of the unfunded liability."

June 1 has been recognized as "Injured Workers' Day" since 1983, when injured workers descended onto Queen's Park to save the permanent disability pension.

50th Annual Conference: Provincial Council of Machinists

The Ontario Provincial Council of Machinists met from June 4 to June 6 in North Bay, and celebrated their 50th anniversary.

OFL President Sid Ryan was a keynote speaker on Saturday, June 5. Ryan spoke to delegates about the need for provincial and federal governments to develop and implement a good jobs strategy. He said that despite some modest local procurement

measures adopted in *Ontario's Green Energy Act*, such strategies could be at risk under a Canada-Europe Trade Agreement (CETA).

CETA would have the effect of imposing market dictates on the policies of provincial and municipal governments. Ryan addressed the need to improve support for workers without jobs and to improve retirement security through the CLC's call for reforms to the Canada Pension Plan.

MTCU: Second Career Update

On June 8, 2010 the Ministry of Training, Colleges and Universities (MTCU) announced modest changes to the eligibility criteria for the Second Career Program. Specifically, the Ministry has adopted some changes recommended by the Ontario Federation of Labour over a series of meetings throughout 2010.

In particular, the OFL and its affiliates pushed for improvements in the Program's income support policies and changes to the assessment matrix. The government agreed to modify the matrix in the areas of: active job search; duration of unemployment; work history; and occupational skills. It is hoped that workers in precarious employment will now have greater access to Second Career retraining dollars. As recommended by the OFL, the changes will be applied retroactively to November 2009 when the eligibility criteria were last changed. There is a limited appeal process for workers whose financial circumstances changed subsequent to their submitting the Program application.

Originally launched during the summer of 2008, the Second Career Program was intended to provide income support for the growing numbers of Ontario workers who were losing their jobs in the manufacturing and

forestry sectors. However, with the onset of the even deeper global economic crisis in November 2008, interest in the Program exploded. Within one year, three-times the expected number of people applied for the program, creating a backlog of applications and a shortage of money.

As a consequence, in November 2009, the Ministry of Training, Colleges and Universities implemented significant changes in the Program's eligibility criteria, reducing access significantly. In March 2010, OFL President Sid Ryan set up meetings: first with Finance Minister Dwight Duncan and then with Training, Colleges and Universities Minister John Milloy. At each meeting, Ryan raised the issue of Second Career funding and the problems associated with restricted access.

The OFL was pleased therefore when \$600 million was allocated to the Program to assist another 30,000 workers. Unfortunately, the new eligibility criteria remained in place after the Ontario Budget was tabled. After an intensification of lobbying effort, the MTCU agreed to implement several modest proposals submitted by the OFL, and the announcement was made on June 8.

Generic Drugs: Cheaper medicine for working people

OFL President Sid Ryan spoke at a June 8 media event organized by Health and Long Term Care Minister Deb Mathews. He joined representatives from Canada's Association for the Fifty-Plus, the Service Employees International Union, and others when the Minister announced the regulations making generic drugs less expensive for Ontario workers and their families.

"Reducing generic drug costs means more employers can offer drug plans for their workers and existing plans can be made more comprehensive or more affordable through the elimination of co-payments," said Ryan.

"By reducing the costs of generic drugs and by eliminating professional allowance fees, it is expected that approximately \$750 million will be saved annually and reinvested into health services for Ontarians," said Ryan.

"These changes will improve the bargaining climate in Ontario by giving employers more room to improve their benefits package at the bargaining table," said Ryan. "But most importantly, cheaper medicine means more workers will have access to the drugs they need to get well."

Support for Striking SEIU Workers at Massey Centre

On May 18, Secretary-Treasurer Marie Kelly joined 55 Service Employees International Union members on the picket line at Massey Centre, bringing solidarity greetings from the Ontario Federation of Labour.

The Massey Centre is a Toronto-based multi-service agency for women, providing a comprehensive range of programs and services for families and babies.

The Centre relies on government funding for 80 percent of its budget. Already burdened by a 25 percent funding cut imposed by the Conservative Mike Harris government in the mid-1990s, today, the



Centre faces a \$500,000 debt. To ease budget pressure in the past, workers receiving promotions voluntarily accepted a two-year pay freeze.

But more than ten years later, this pay freeze has continued. Adding insult to injury, Massey workers have been waiting for seven years for \$80,000 in government funding for pay equity, a cost incurred in 2003.

The Massey Centre workers—the majority of whom are sisters of colour—have been walking the picket lines since April 21, defending decent wages and quality services.

Finance Minister Dwight Duncan's Pension Roundtable

On Thursday, June 3 President Sid Ryan participated in a Pension Roundtable called by Finance Minister Dwight Duncan.

At the meeting, Ryan joined representatives from

- Canada's Association for the Fifty-Plus (CARP);
- Healthcare of Ontario Pension Plan (HOOPP);
- Ontario Bar Association - Pensions and Benefits Section;
- Ontario Municipal Employees Retirement System (OMERS);
- Ontario Public Service Employees Union (OPSEU);
- Ontario Secondary School Teachers Federation (OSSTF);
- Ontario Teachers' Pension Plan Board; and others.

"Canada's pension system must be a priority to ensure that the next generation of workers have adequate pensions when they retire," said Ryan. He noted that young workers today have less access to defined benefits plans and are more indebted as a result of student loans.

"RRSPs are uncertain and inefficient," said Ryan. "All pension dollars must be directed into effective savings, not into management fees for the financial services industry."

Finally, he noted that reforming the public system is necessary given the growing income gap among workers.

CUPE Ontario: 47th Annual Convention

On Wednesday, May 26, OFL President Sid Ryan addressed delegates to the 47th Annual Convention of CUPE Ontario.



Ryan used the occasion to call for strong, united labour action during the 2010 municipal elections. He urged solidarity among all unions to ensure that each municipal ward had a single, pro-labour candidate that all unions could support.

"Given the importance of strong municipal leadership," said Ryan. "There's no doubt that electing progressive, union-backed councillors is an essential part of the strategy to protect public services, and maintain and expand access to decent wages and benefits."

He said that municipalities must take a leading role in implementing a jobs strategy and developing local procurement policies.

G20: "Put People First" Labour-Community Mobilization

Plans and organizing are in full swing as the labour movement joins with community and social justice organizations to oppose the market-driven agenda of the Group of 20 Summit taking place in Toronto, June 25, 26 and 27. Thanks to Prime Minister Stephen Harper, billions will be spent wining, dining, courting, securing and otherwise entertaining the leaders of 20 developed and developing nation-states (G20).

The Ontario Federation of Labour, the Canadian Labour Congress, Canadian Federation of Students, Council of Canadians, Greenpeace, Oxfam, and other organizations have joined forces to call for mass action on Saturday, June 26. The Rally begins at Queen's Park at 1:00 pm with music and speakers, followed by a march.

Women trade unionists and community members will lead the march, and will be immediately followed by striking Vale Inco workers, members of the United Steelworkers Local 6500. "The fact that women will be leading this march is significant," said President Sid Ryan.

"Since Stephen Harper was elected, women have been on the receiving end of cuts—from the cancelation of the national child care strategy and the cuts to status

of women offices to the less than muted attacks on women's right to choose abortion services.

"And now Harper wants to impose his anti-woman agenda on the developing world. I'm proud to say that women in Canada are standing up together in solidarity with women across Canada and around the world."

Ryan is also looking forward to marching with the Vale Inco strikers. "Vale Inco is an extremely profitable, multi-national corporation that cleared over \$13 billion in profit last year.

"In keeping with the agenda we've seen implemented in Germany, France, Greece and elsewhere, Vale Inco aims to reduce wages and benefits, attack pensions and erode union seniority rights," said Ryan.

"Vale Inco workers are waging a crucial fight. They are joining their brothers and sisters in China at a Honda auto parts factory, who recently struck and won a pay increase of 24 percent, in India at the Hyundai Motor Company who struck for union recognition, and in Greece where private and public sector workers are resisting cuts in wages, pensions and public services."



2010 Upcoming Events

- **June 18 to 20: The Peoples' Summit - <http://peoplesummit2010.ca>**
June 19 speakers include: Victor Baez, General Secretary, Trade Union Confederation of the Americas; Austin Muneku, General Secretary, Southern Africa Trade Union Coordinating Council; Armine Yalnizyan, Senior Economist, Canadian Centre for Policy Alternatives; Kwasi Adu-Amankwah, General Secretary, International Trade Union Confederation - Africa; Ambet Yuson, General Secretary, Building and Woodworkers International; Peggy Nash, Assistant to the National President, CAW-Canada; John Cartwright, President, Toronto & York Region Labour Council
- **June 25 at 7:00 pm: Shout Out for Global Justice - www.canadians.org/g20/event.html**
Guest speakers include: Amy Goodman, host and executive producer of Democracy Now; John Hilary, executive director of War on Want; Naomi Klein, journalist and author; Dr. Vandana Shiva, founder of Navdanya; Pablo Solon, Bolivian ambassador to the United Nations; Clayton Thomas-Mueller, tar sands campaigner with the Indigenous Environmental Network.
- **June 26 at 1:00 pm: "Put People First" Labour Community Mobilization against the G20 - www.ofl.ca**
- **September 29: OFL Special Seminar - Achieving and Maintaining Pay Equity - www.ofl.ca**