A PLATFORM PITCH
THINGS YOU CAN FIX IN THE NEXT ELECTION

Canada has a proud history of sovereignty and diversity, linked by a national and cultural identity that includes programs and policies that Canadians value. Canada has set a standard for universal citizen and workers' rights in areas such as education, health care and old age security.

But over the last two decades, successive governments have allowed that identity to come into question. Our common traditions of fairness, sovereignty and equality have been replaced by a preoccupation with corporate globalization and investor rights.

It's time for politicians like you to bring Canada back to Canadians.

ACTRA is Canada's largest cultural association, representing more than 21,000 film and television performers. The United Steelworkers is Canada's largest private-sector labour organization, representing more than 280,000 Canadians in every sector of our economy.

Over the last few years, these two unions have promoted a number of important issues that, if put forward by political parties, would go a long way toward bringing Canada back.

We have now pooled our energies and our resources to present in a common front.

Our list of priorities is not exhaustive. They are important and do-able. We're in Ottawa together this week to send a strong message to Members of Parliament of all parties.

The next federal election must be about bringing Canada back to a position of strong cultural and national identity based on sound public policy and a recognition that working people – regardless of what they do for a living – are the backbone of our nation.

November, 2005

There are some things you and your party can fix to bring Canada back to Canadians:

1. FIX TWO FEDERAL REGULATORS

CRTC

- address the crisis in Canadian drama on television by directing the CRTC to implement spending and minimum content requirements on national broadcasters
- take a stand on the CRTC's disturbing trend to sacrifice Canadian content and encourage the CRTC to impose more appropriate Canadian content minimums when issuing licenses for satellite radio and other new technologies

CITT

- bring balance to the membership of the Canadian International Trade Tribunal, including worker and community interests, not just corporations
- give communities and workers the right to file complaints and to participate when trade cases are being considered (as under the U.S. trade system)

2. MAKE THREE CRITICAL INVESTMENTS

FUND CULTURE

- commit to increased, permanent funding for our cultural institutions: the CBC, Telefilm and the Canadian Television Fund so that creators can focus on what they do best – making quality, vibrant television shows and films

FUND PUBLIC HEALTH CARE, POSTSECONDARY EDUCATION

- commit to expanding funding for publicly delivered health care, combined with action to roll back the expansion of private health care, which is more costly and threatens equal access. The expansion must include a national prescription drug plan based on the principles of Medicare, along with policies of prevention and health promotion as central planks of a comprehensive view of health care. Also, restore federal funding for improving education and student services at colleges and universities

FUND SAFE TRANSPORT

- commit to funding desperately needed improvements to all facets of transport infrastructure – including roads, rail, ferries, border crossings and airport screening – to make transportation safe and secure

3. MAKE FOUR KEY LEGISLATIVE REFORMS

ARTISTS' RIGHTS

- institute a system of tax averaging over a five-year period to provide fair and equitable tax treatment for professional Canadian performing artists

FOREIGN OWNERSHIP

- commit to maintain Canada's current limits to foreign ownership of Canadian airwaves to ensure that our broadcasting and telecommunications industries are controlled by Canadians, for Canadians

BANKRUPTCY AND PENSION PROTECTION LAWS

- reform Canada's bankruptcy laws so that workers are paid first what they're owed for wages and pensions, not relegated to the bottom of the list of creditors

LABOUR CODE

- encourage labour peace by making it illegal for employers to use scab labour during strikes and lockouts

1. CRTC: A Regulator That Needs Fixing
Stop U.S. Cultural product Dumping!

Through its 1999 Television Policy, and recent decisions on satellite radio, the CRTC has become an enabler of U.S. product dumping. Canadians are losing their jobs, their voices and their identity.

We ask... that your party take action to give Canadians a voice on their own airwaves by directing the CRTC to:

- require private conventional TV broadcasters to spend at least 7% of their advertising revenue on Canadian drama;
- require private broadcasters to air at least two hours of original Canadian drama every week; and
- direct the CRTC to adopt a new policy that will uphold Canadian content requirements for all new technologies such as mobile TV and internet broadcasting which now would escape regulation under the CRTC's new media policy.

In 1999, there were 12 one-hour English-language Canadian TV drama series being aired. In November, 2005, there are only three first-run Canadian one-hour dramas broadcast on Canada's three major networks: *ReGenesis* (Global), *DaVinici's City Hall* (CBC) and *This is Wonderland* (CBC).

This decline is the direct result of the CRTC's disastrous *1999 Television Policy.* The CRTC expanded the definition of Canadian 'priority programming' to include much cheaper programming, such as entertainment magazine and reality shows. At the same time, the CRTC increased the definition of prime time to include the hours 7 to 11 p.m. seven days a week (previously it was 8 to 11 p.m. Monday through Friday), and tossed out the requirement that broadcasters had to spend a percentage of their revenues on Canadian content. Now, broadcasters are free to meet their Canadian content obligations with repeats and licensing cheap reality-style programming.

The effect of these changes has been profound. Canadians can no longer see their experiences reflected on television and the broadcasters are failing in their obligations under the *Broadcasting Act* to produce Canadian stories.

Here's what Canada's private TV broadcasters have been up to since 1999:

- they spent four times more on U.S. and foreign drama than they did on Canadian shows - $354 million versus $68 million in 2004;
- they spend more on foreign programs than their counterparts in the U.S., U.K. and Australia AND pay the lowest average licensing fees on domestic drama. Canadian English-language broadcasters cover 18% of production costs for an indigenous drama; in the U.S., broadcasters cover 81% or more;
- they cut spending on Canadian drama and variety programming by 20% between 1998 and 2002; and
- they're making record profits.

Last year, the CRTC attempted to correct the problem by creating a program of incentives without new regulations. At best, the incentive program is an experiment that will span the upcoming licence renewals of the major conventional broadcasters, leaving little hope that the CRTC will impose expenditure and exhibition requirements as a condition of licence.

Canadian content is also being sacrificed for new technology. Recently the CRTC's satellite radio decision set a dangerous precedent allowing Canadian digital radio to be dominated by U.S. programming. Mobile TV is up next – the government needs to step in and direct the CRTC to correct this trend and change its policy so that Canadians have an opportunity to hear their own voices on new and emerging technologies.

Give Canadians a voice: support a direction to the CRTC to restore Canadian dramas to television screens and Canadian voices to our airwaves.

November 2005

2. CITT: A Regulator That Needs Fixing
Give Workers and Communities a Voice

As a major trading nation in a rapidly changing world, Canada needs its trade laws and institutions to be responsive, transparent and effective.

We ask… that your party support changes to the Canadian International Trade Tribunal (CITT):

- to bring balance to the membership of the CITT, including worker and community interests, not just corporations
- give communities and workers the right to file complaints and to participate when trade cases are being considered, as under the U.S. trade system

As things stand, our country has laws that are supposed to protect our communities, companies and workers from import practices such as unfair subsidies and "dumping" – the practice of selling exports at lower prices than are charged for the same product at home.

The problem is – the system just isn't working. The Canadian International Trade Tribunal (CITT), the key agency in the trade administration process, should be overhauled as the centrepiece of a progressive trade law reform agenda. The system failed us a couple of years ago in dealing with steel imports, and it's hard to have faith that it will work in dealing with the current surge in imports from China and other countries.

We need an open and accountable process for selection of members of the tribunal, who currently are appointed by Cabinet without any public input or process. The legislation should also require balance in the tribunal membership, including worker and community representatives.

Other necessary changes include:

- the right for unions in the industry to participate directly in the regulatory process, including the right to file complaints, as is the case in the U.S. trade system. One reason this is needed is that the Canadian employers affected by unfair competition from imports often have conflicting interests, because they may be sourcing low-cost components or products offshore themselves.
- an opportunity for affected communities to play a role in the process as well, as they do in the U.S.
- a reverse onus in the trade administration process, so that once a prima-facie case has been proven, the onus falls on the importer to prove the product was not dumped.
- a clear definition of injury in the legislation to ensure that depressed prices as well as reduced volumes must be considered as potentially injurious to the industry. One good example is the cold-rolled steel case from 2002, in which the complaint was dismissed for lack of impact on sales volume, despite overwhelming evidence of depressed prices caused by the imports.
- automatic retroactivity, with refunds if a complaint fails. If dumping is against the law, penalties should apply as soon as the dumping is identified, not months later.

- acceptance of complaints (which starts the retroactivity clock ticking) on the basis of market evidence only, so that the time needed to determine injury does not fall outside the retroactivity period.
- self-initiation of complaints by government, where there is evidence of source-switching away from sources subject to recent dumping and countervailing duty orders.

In the longer term, Canada should be leading the way in the fight to have weak or unenforced labour, environmental and human rights laws recognized as equivalent to subsidies in countervailing duty cases. This would make it possible to use trade laws to drive improvements in conditions in other countries. An indirect subsidy – through weak standards – is still a subsidy.

November 2005

3. A Critical Investment: Culture
Stable, Permanent Funding for our Cultural Institutions

Our cultural institutions need stable, multi-year funding so they can focus on what they do best: supporting culture.

We ask… that your party

- make funding the Canadian Television Fund (CTF) a permanent budget commitment and raise the contribution to match inflation and set additional increases of 10% each year over five years
- make a permanent funding commitment to Telefilm Canada of at least the current level of $230 million and index increases to inflation
- make an increased, stable funding commitment to the CBC for the next five years so it can continue to carry out its mandate

Canadian Television Fund and Telefilm Canada

Telefilm Canada and the CTF are streamlining their operations and funding programs, allowing creators to focus more time making film and TV and less time navigating applications and deadlines. However, the enhanced cooperation between the two funding agencies must not result in funding cuts for either body. Both need increased, permanent funding to ensure the continued production of quality Canadian films and TV shows.

The CTF currently has an annual budget of approximately $250 million: $100 million is from the federal government and the rest comes from cable companies and direct-to-home satellite service providers. Over time, costs related to TV program development and production have increased while the real value of federal support has decreased. Statscan reported in October 2005 that federal spending on broadcasting increased by only 0.3% in 2003/04, not even keeping pace with inflation. At the same time, the TV market has expanded rapidly. When the federal government created the CTF in 1996, it committed to allocating an additional $100 million per year. Nine years later, the federal allocation remains at $100 million. Netting out inflation, that value in real spending power terms is now only $80.3 million or 20% less than it was worth almost a decade ago.

The CTF is essential for the production of quality, distinctively Canadian TV programs, yet artists, producers and broadcasters are forced to direct energy and resources each year to make the case for funding and ensure that the CTF is adequately funded in the budget.

Government assistance to domestic television drama productions is not unique to the Canadian experience. European governments assist domestic television productions through, among other vehicles, direct funding from the tax base.

Telefilm helps develop and promote feature films through its Canadian Feature Film Fund (CFFF). The CFFF's key role in developing drama production is more important than ever at a time of crisis in English-language drama production and when Canadian films still haven't reached 5% of our national box office.

Canadian filmmakers face an uphill battle in a market dominated by Hollywood. We applaud the fact that the 5% box office target for Canadian films is within reach while recognizing that such an achievement means Canadians still really aren't seeing their own films.

This year the Parliamentary Standing Committee on Canadian Heritage and the Department of Canadian Heritage are both reviewing the Canadian feature film industry. The reviews underlie the importance of Canadian films and the need for government funding to ensure films written, directed and performed by Canadians continue to be made.

Telefilm requires certainty of its funding levels. Long-term, stable budgetary commitments are needed to ensure that Telefilm can make lasting and meaningful contributions to the growth of Canadian film and TV production in general, and of drama production in particular.

CBC

The CBC has a unique mandate: to showcase Canada's national identity. Developing, producing, and broadcasting high-quality Canadian dramatic programming is one of the best ways for the CBC to meet its mandate.

Unfortunately, the CBC's ability to do so has been damaged by a decade of budget cuts, a season without its flagship Hockey Night in Canada and a crippling lockout of CBC workers by CBC management.

Although past budgets have included increases to the CBC, the $390 million cut over the '90s has yet to be restored. Further compounding the CBC's ability to produce drama, the guarantee of 50% of CTF monies to the CBC was eliminated in 1999.

The CBC cannot create and implement long-term strategies to succeed because it faces continued uncertainty about its future. The public broadcaster must be given the resources and stable, multi-year commitments it needs to meet its obligation to reflect and promote Canada's national identity with new Canadian dramas, comedies and other programming.

November 2005

4. Critical Investments: Public Health Care, Postsecondary Education
Stop Privatization of Medicare, Support Colleges and Universities

The time has come for action, not rhetoric, to defend and expand public health care and public higher education.

We ask… that your party commit to expanding funding for publicly delivered health care, combined with action to roll back the expansion of private health care, which is more costly and threatens equal access. The expansion must include a national prescription drug plan based on the principles of Medicare, along with policies of prevention and health promotion as central planks of a comprehensive view of health care. Also, restore federal funding for improving education and student services at colleges and universities

Health

In the 2004 election, we heard that Prime Minister Paul Martin intended to make stopping privatization of health care "the fight of my life." Since then, the federal government's inaction on this front has been near total. When will the government act to halt or reverse the trend in many provinces to more private clinics, more for-profit health services and more P3 hospitals?

Studies have shown conclusively that private health care costs more, delivers a lower standard of care and threatens the principle of equal access. Roy Romanow's Royal Commission report provides a clear analysis and a recipe for advancing and expanding Medicare.

It's well past time for Canada to develop a national prescription drug plan based on the principles of Medicare. Besides helping citizens who can't afford to pay for the medications they need, this initiative must also take aim at controlling the skyrocketing costs of prescription drugs.

Our comprehensive health care strategy must also bring a new emphasis on prevention and health promotion as the keys to both a healthier society and a stronger economy, while also producing dividends in lower costs for medical care.

Postsecondary Education

Canada's colleges and universities are still coping with the effects of severe funding cuts imposed by then-Finance Minister Paul Martin in the mid-'90s. The federal government abandoned its responsibility to provide the provinces with resources earmarked for the support of postsecondary education. In fact, federal cash transfers for colleges and universities, when adjusted for inflation and population growth, are 50% lower than they were 10 years ago.

The result has been a declining faculty-student ratio, crumbling infrastructure and soaring tuitions. In addition, strapped universities have turned more and more to private sector funding, at times putting at risk the traditions of academic freedom that make universities what they are.

The recent commitment in the NDP-Liberal budget deal to put money toward reducing tuition is a promising step. Now it's time for the federal government to commit to stable funding toward sustaining the quality of postsecondary education and student services through cash transfers to the provinces, with accountability measures to ensure the money achieves improved quality, access and affordability.

ACTRA

STEELWORKERS MÉTALLOS

5. A Critical Investment: Funding Safety for Canadians
A Balanced, Forward-Looking Approach to Transportation Infrastructure

Neglecting investment in all aspects of our transportation infrastructure comes at a high cost – both to the economy and to the safety of Canadians.

We ask… that your party commit to funding desperately needed improvements to all facets of transport infrastructure – including roads, rail, ferries, border crossings and airport screening – to make transportation safe and secure

Infrastructure investment is needed.

- Federal spending has neglected necessary infrastructure improvements for too long. A recent report from the Western Transportation Ministers tried to create an impression of just how serious are Canada's infrastructural needs. Citing the Canadian Society of Civil Engineering, they found that the current shortfall for municipal infrastructure spending was $57 billion across the country, and that transportation infrastructure needs (in the west, at least) made up between 40-45% of this shortfall. Investment is the key to maintaining high quality and equitably accessible transportation services. It should ensure safety, mobility, and access to remote areas.

Lack of investment compromises safety.

- According to the Transportation Safety Board of Canada - accidents, and especially derailments, are increasing.
- In 2005 through September, there were 967 rail accidents. This is 11% more accidents than for the same period a year ago, and 21% more than for the same period averaged over the last 5 years.
- A major factor in the increase in accidents is the increase in derailments. Derailments increase when there is insufficient investment in track maintenance. Over the last 5 years, derailments tended to make up 50% of rail accidents in Canada. This year, due to the increase in derailments, they now make up over 60% of all rail accidents.
- In 2005 through September, there were 584 derailments, a 46% increase over the previous 5-year average.
- More tracks, newer tracks, and well-maintained tracks would all go a long way to reducing derailments and rail accidents.

Infrastructure investment should be public.

- We need to serve the public interest with our investment priorities. This means prioritizing not just corporate concerns, but also social, safety, and environmental concerns. This means equitably meeting the needs of citizens, communities, and economies. Canada has the challenges of meeting these needs in the context of our vast distances and uneven population distribution. Public investment is the best way to stay accountable to these diverse needs.

Not investing comes with a high price.

- Infrastructure deteriorates when it is not maintained. A lack of investment means our transportation networks become outmoded, or out of touch with changing needs of citizens, communities, and economies. Inadequate services lead to inequities in terms of access and mobility. Safety is compromised. Economic growth and opportunities are constrained. Traffic congestion increases, which means pollution increases.

Safety and Security

- Safety and security means protecting travellers, workers, and communities. This needs to be done without jeopardizing privacy, civil rights, worker's rights, or economic development. It means investing in safe equipment and properly maintaining infrastructure, and investing in adequate resources to handle and process dangerous goods.

Balanced approach

- Each mode of transportation has its own distinct advantages. Governments should prioritize investments that increase inter-modal efficiency and co-operation. Governments should be investing in safe and secure roads, railways, ferries, and border crossings (which include security screeners in airports).

  Border Crossings: Airport Security Screeners

  - Provide new technologies that reduce unnecessary physical and mental strains.
  - Properly testing new equipment to ensure worker safety, such as with the increasing use of radiation screens in airports.

  Border Crossings: Land

  - We need more (and more efficient) services to enable mobility of people and goods across the border.
  - A 2005 Transport Canada Security Strategy Report prepared by Intervistas Consulting cited recent studies which show that border delays are costing the combined Canada and U.S. economies $13.6 billion.
  - In 2004, Canada had trade around the world valued at around three-quarters of a trillion dollars. About half of this trade, by value, crossed the U.S.-Canada border in the back of a truck.
  - Investing in ways to reduce border-crossing delays will alleviate the current situation which threatens to discourage passenger traffic and unnecessarily increase trade costs.

  Roads

  - Investment in roads needs to make sense. We need to prioritize community and traveller needs. We need to intersect with progressive urban planning and infrastructure needs. So often, building more highways in cities just eats up valuable land and increases traffic flows and congestion, and encourages sprawl. In specific cases, public transportation makes more sense than roads.

  Railways

  - Top priorities are safety – achieve this through more track maintenance, and increasing lines so as to reduce congestion.

  Ferries

  - Invest in service that links Nova Scotia with the island of Newfoundland.
  - Require new ferries be built in Canada to benefit our local economy.

6. Key Legislative Reform: Artists' Rights
Tax Incentives for Creativity

Artists have above-average education and below-average earnings. Their incomes fluctuate from year to year, resulting in unfair taxation – higher taxes in a good year when that income could bolster leaner years.

We ask… that your party take action to institute a system of tax averaging over a five-year period to provide fair and equitable tax treatment for professional Canadian performing artists.

Artists are workers too, yet cultural professionals who contribute to the richness of our lives are underpaid and taxed unfairly. Self-employed artists and performers are highly educated and motivated self starters who contribute to Canada's national identity.

A performer's income fluctuates – it is usually based on short-term engagements and income can vary greatly from year to year. Performers, when they are working, pay income tax at a high bracket, as if that level of earnings were enjoyed annually though often it is not. After years of little or no income, artists end up paying more tax in the years they do earn, instead of being able to spread that income over several years. Tax averaging performers' income from performances would address this unfairness.

UNESCO reports that income averaging for cultural professionals such as performers and artists is practised in Germany, Denmark, the Netherlands, Greece, France, the United Kingdom and Luxembourg. In Australia, the *Income Tax Assessment Act* allows artists with fluctuating incomes to average their income for tax purposes for a period of up to five years, as a measure "to alleviate detrimental tax implications where a performer might earn a good income in one year but receive little performance-related income in other years."

Until 1982 when tax averaging was abolished in Canada, self-employed workers could spread their taxes over more than one tax year. The Department of Finance informs us that reducing the number of tax brackets and introducing tax deferrals for contributions to a registered retirement savings plan (RRSP) has replaced the need for income tax averaging.

Unfortunately, this RRSP theory does not bear out in practice for artists, who often use their RRSPs to tide them over in lean years. Independent contractors in the arts, who most need to plan for future income due to fickle careers, should not be forced to jeopardize their futures by using RRSPs in times when there is no work. Further, the RRSP is limited by a yearly maximum contribution, and performers or artists that stretch a large single income over a number of years cannot effectively do this using the RRSP.

The reaction to income averaging in Canada has been favourable among experts in the field who have recommended that it be reinstated. The Carter Commission study of the Canadian tax system endorsed income tax averaging as the only progressive and fair approach to 'lumpy' income. Income averaging is supported by most arts organizations including the Canadian Conference of the Arts.

The tax measures announced by the government of the Province of Quebec in March, 2004, included a new provision for tax averaging for performers and other artists that allows deferring tax on a portion of income. Artists in Quebec who acquire an eligible income averaging annuity will be able to spread their income over a maximum of seven years.

It is difficult to make a living as a professional artist in Canada. The vagaries of the industry and unfair tax treatment of cultural entrepreneurs make such careers even harder. Income averaging would be a step towards correcting an historic imbalance and would give substance to the government's support of UNESCO's 1980 recommendation on Status of the Artist. All Canadians would benefit culturally and economically from such a change.

Tax Canadian artists fairly: support system of income averaging over a 5-year period as a method of providing fair and equitable tax treatment for self-employed artists.

November 2005

7. Key Legislative Reform: Keep Our Airwaves Canadian
Maintain Current Limits to Foreign Ownership

If we don't own our airwaves, we don't own our country. Foreign companies can already own 47% of Canadian airwaves, but they want more.

We ask… that your party commit to maintain current limits to foreign ownership of Canadian airwaves to ensure that our broadcasting and telecommunications industries are controlled by Canadians, for Canadians

Increased foreign control of Canadian broadcasting would damage Canada's sovereignty over cultural policy, jeopardize Canadian content regulations and deepen the crisis in Canadian TV drama. Relaxing ownership restrictions in the telecommunications sector would have a serious impact on broadcasting.

There is a link from telephone companies to culture. As technology converges, telephone, cable and broadcasting companies are competing to provide the same services. The link is critical because we now must care equally about Canadian content on television as about whether a telephone line is owned by a foreign company.

Two Parliamentary Committees have taken opposing views on limits to foreign ownership of Canadian broadcasting and telecommunications. The Industry Committee has recommended relaxing limits on foreign ownership and the Heritage Committee recommended maintaining existing restrictions. In February 2005, the federal government announced a review of the telecommunications sector including the CRTC, regulations and foreign ownership. This has important and far-reaching implications for our telecom and cultural industries. The Industry Minister, David Emerson, is on record as approving further competition in the industry.

The digitization of content along with the incredible growth in current network capacities has redefined the telecommunications sector and erased the boundaries between it and the broadcasting sector. Broadband is the term now used for the capacity to transfer huge amounts of information at high speed, whether over fibre optics, satellites, wireless or cable and will become the chosen conduit for future media delivery.

Controlling our own communications systems is an essential and longstanding principle of Canadian cultural and communications policies. According to the *The Broadcasting Act*, "the Canadian broadcasting system shall be effectively owned and controlled by Canadians." *The Telecommunications Act* states, "A Canadian carrier is eligible to operate as a telecommunications common carrier if it is a Canadian-owned and controlled corporation incorporated or continued under the laws of Canada or a province."

Even with Canadian majority ownership of our broadcasters, we're fed a steady diet of U.S. programming. Our culture is already being marginalized and would be more so with a relaxing of ownership rules.

November 2005

8. Key Legislative Reform: Bankruptcy and Pension Protection Laws Put Workers First When Companies Get in Trouble

Thousands of Canadian companies declare bankruptcy each year, and often it's the workers who pay the heaviest price. Not only do workers lose their jobs and their source of income, they often lose the termination and severance pay they are owed, as well as unpaid vacation pay and wages.

We ask… that your party reform Canada's bankruptcy laws so that workers are paid first what they're owed for wages and pensions, not relegated to the bottom of the list of creditors.

Bankruptcy

In many bankruptcies, the pension plan is not fully funded, so workers and retirees face cuts in their pensions. Group insurance benefits can be lost as well. The Steelworkers worked with NDP MP Pat Martin in developing his "Workers First" private member's bill which would make concrete improvements to help workers in these crisis situations. The bill would move workers from the bottom to the top of the list of creditors to be paid from the proceeds of a bankruptcy.

In response, the Liberal government is pushing its own legislation, Bill C-55. This bill takes some steps in the right direction, but only covers $3,000 worth of back pay and vacation pay and doesn't cover termination or severance at all. It also takes a small step on pension obligations, protecting the "normal cost" contributions a bankrupt company would be making, but taking no action on the bigger problem – funding shortfalls.

But the biggest problem with Bill C-55 is that it authorizes bankruptcy judges to interfere in the collective bargaining process. What is needed in the law is an explicit statement that the bankruptcy judge has no authority to order changes in a collective agreement.

Pensions

The recent crises in pension funding at Air Canada, Stelco and other companies have shown the need for tighter regulation by federal and provincial governments to ensure that workers' pensions are secure and to stop the erosion of defined benefit pension plans.

The federal Finance Department has been conducting consultations on possible pension reforms. The problem is that the concern many companies express about the "viability" of defined benefit pension plans is intended to set the groundwork for cuts to benefits.

Our pension plans should not become the sponge that absorbs the employer's other financial problems. Workers should not be asked to sacrifice a portion of their retirement income in order to balance the employer's books today, especially if the imbalance is a result of factors external to pensions.

We support introducing a pension benefit guarantee fund (PBGF). A guarantee fund would absorb pension risk from plan members. With the safety that such a scenario would bring, plan members would be much more open to various options that relax funding requirements and provide sponsors with flexibility. A guarantee fund would help eliminate the risk factor for plan members.

Some specific suggestions for a potential federal pension benefit guarantee fund:

- that the size of the fund be proportional to the actual extent of underfunding of federally regulated pensions
- that maximum individual payouts be as high as $2750 per month
- that benefits be indexed to inflation
- that plan members who had access to unreduced early retirement under their original defined benefit plan not be subject to reductions under the PBGF
- that the PBGF be funded through a combination of sponsor premiums that include an additional risk-based premium for plans with unfunded liabilities (for example, an additional premium for plans with a funded ratio under 100%, even more if under 80%)

The Steelworkers' full submission to the consultations can be found on our website at: http://steelworkers-metallos.ca/program/content/2812.php?lan=en&

November 2005

9. Key Legislative Reform: Labour Code Changes
Enact a Ban on Scabs in Strikes and Lockouts

The evidence is clear: eliminating scab labour encourages peaceful settlements and is good for the economy.

We ask… that your party encourage labour peace by making it illegal for employers to use scab labour during strikes and lockouts.

Parliament has come very close to approving legislation that would finally ban scabs in the federal jurisdiction. A private member's bill sponsored by Bloc Quebecois member Roger Clavet lost by a vote of 143-131. Some Liberals voted for the bill, but the Cabinet lined up solidly against it.

The experience with provincial anti-scab legislation in British Columbia and Quebec, and in Ontario during the years 1993-96 when the NDP's anti-scab law was in effect, shows clearly that the measure encourages peaceful settlements and reduces the number of days lost to strikes in the economy.

Quebec was the first jurisdiction in Canada to adopt anti-scab legislation in 1977. The action was taken in response to several high-profile violent strikes. Since then, the average number of days lost to strikes has steadily declined.

British Columbia adopted its anti-scab legislation in 1993. The number of days lost to strikes fell by 50% the following year.

Ontario's experience with anti-scab legislation was politically tumultuous, despite the economic record of labour peace and economic growth during the three years before the law was repealed as one of the first actions of Mike Harris and his Conservative government.

Enacting such a law federally would have a direct effect only on a small portion of the Canadian workforce, but it would be a significant signal to the entire country of the values of respect for workers and their protected right to withhold their labour in an industrial dispute.

November 2005