

September 22, 2016

**All Out for the Mass Picket at MANA Gates
Friday Morning, September 30**

**Stand with MANA Steelworkers in Defence
of Their Rights and Dignity!
Stand with All Workers in Defence of
Their Rights and Dignity!**

Hamilton Rally in Solidarity with Locked-Out MANA Workers



Friday September 30 5:00 - 8:00 am
855 Industrial Drive, Hamilton
For information: 905-547-1417, uswa1005.ca

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Government Task Force Report on Canada Post

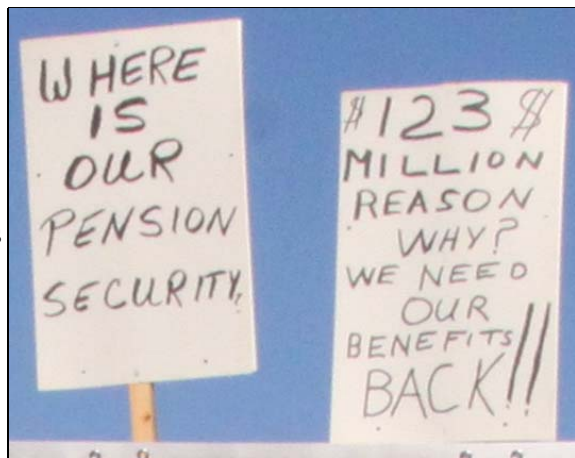
- **Mandate Review Used to Attack Workers' Rights - Louis Lang**
- **The Value Postal Workers Produce - K.C. Adams**

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Max Aicher North America (MANA) steelworkers in Hamilton have been locked out of their jobs for over three years. The German owners of the two mills at 855 Industrial Drive refuse to negotiate with the 118 steelworkers and their USW Local 1005 and have instead demanded that the workers accept concessions without any say. When workers justly voted not to agree to the dictate, MANA scoured Hamilton and the region to find desperate unprincipled characters willing to scab and operate the mills in this shameless way.



The German owners are one with the attack of U.S. Steel on the other Local 1005 steelworkers.

U.S. Steel is actively trying to destroy the entire Stelco Hamilton Steelworks and deny the rights of over 20,000 active and retired steelworkers to employment and agreed to pensions and post-employment benefits. Like U.S. Steel, MANA is protected by labour law, other laws and the legal system and governments which are all designed to protect the ability of the monopolists to act

in an anti-social, anti-worker, nation-wrecking manner with impunity.

These attacks on the rights and dignity of the working class are being supported through the state-organized bankruptcy protection fraud of the federal *Companies' Creditors Arrangement Act* (CCAA) and a regressive Ontario labour law that allows companies to use scabs with impunity during a dispute despite the fact that it violates even the most rudimentary notions of fair collective bargaining.

U.S. Steel stripped the bar and bloom mills from the Stelco Hamilton Works and sold them to MANA in 2010. It was supposed to provide blooms to MANA that would be converted to billets which the Bar mill converts to bar products. Instead, U.S. Steel intensified its own destruction of the Hamilton mills and did not live up to its commitment to MANA. For its part, MANA resorted to laying off workers and dictating worse working conditions and cuts to wages. To enforce its demands, the unscrupulous owners of MANA locked out the remaining steelworkers in 2013, and later unilaterally wound up their pension plan. They have not agreed to negotiations to this day but continue using scabs to continue production, a state authorized injunction to weaken protests at the gates, and a private police force to enforce their dictate and control and attempt to intimidate steelworkers. The unscrupulous owners of MANA have committed these anti-worker actions without any public authority whatsoever even protesting, let alone stopping them or holding them to account.

The attack on MANA steelworkers is part of the broader assault on the rights, livelihoods and dignity of the working class and the well-being of the people and society. Both the MANA lockout and the U.S. Steel CCAA fraud are aspects of the same general pressure on workers from the ruling imperialist elite to accept disequilibrium and insecurity in their lives, a downward slide in their living and working conditions and no organized say or control over those matters that affect their lives.



Local 1005 USW is calling on the workers of Hamilton and southern Ontario to express their opposition to these attacks on the dignity and rights of the MANA workers and demand justice. The picket on Friday morning September 30 is an opportunity to do just that -- stand at the MANA gates as one force to defend the rights of all workers and uphold the dignity of labour despite the refusal of governments to take stands which would see justice done. Send messages of support to the MANA workers if you cannot be there.

Ontario workers are showing the ruling elite that the working class does not accept this regressive line of march. They are determined to defend working class rights and uphold its dignity and society's future! The working class demands its

rightful say on the conditions of work and the payment and guarantees it receives in exchange for its capacity to work. The working class, which produces all the value the people and society depend on for their existence, does not accept the discredited line that modern industrial mass production cannot be organized scientifically and managed in a pro-social way to meet the needs of the people for a cultured and secure existence with working conditions acceptable to the actual producers.

By not showing any willingness to reach a compromise and equilibrium with the working class,

those in control of both MANA and U.S. Steel along with the connivance of the ruling imperialist elite within the state machine and its institutions are exposing the economic and political system they dominate as decrepit and anti-people and in dire need of a new pro-social direction.

The working class refuses to accept a status quo that tramples on its dignity and rights.

All out at the MANA gates Friday morning, September 30!

Show the German monopolists and their state allies and apologists that workers will not rest until their rights and dignity are upheld and their security and well-being guaranteed!



**Government Task Force Report on Canada Post
Mandate Review Used to Attack Workers' Right**
- *Louis Lang* -



Picket in support of public post office, Calgary, September 17, 2016.

On September 13, 2016, Minister of Public Services and Procurement Judy Foote released a report called "Canada Post in the Digital Age -- Discussion Paper 2016." The four-member Task Force panel that produced the "Discussion Paper" is part of a mandate review launched by the Liberal government in May. The panel's stated purpose is to conduct an "Independent Review of Canada Post Corporation," with the objective that "the Corporation provide quality services to meet the needs of Canadians at a reasonable price in a financially self-sustainable manner." A House of Commons Committee has scheduled cross-country hearings starting later this month to "hear from Canadians about what they want from the postal service" and the 102-page "Discussion Paper" is to be used "as a launching pad for those public consultations."

As Minister Foote made the Task Force's "Discussion Paper" public, she stated that with this process, "the Government is delivering on its promise to suspend the conversion of community mailboxes and undertake a review of Canada Post," in consultation with Canadians.

An examination of the "Discussion Paper" does not support the Minister's assertions. Instead of delivering on any of the Liberal promises made during the last elections, the main content consists of arguments and "surveys" to convince Canadians that they can no longer count on having home delivery and the universal postal service is "not financially sustainable."

It goes even further and recommends more privatization of postal services such as hundreds of retail offices and the closing or franchising of thousands of rural post offices across the country. The "Discussion Paper" acknowledges that this would be in violation of the present legislation governing Canada Post but recommends that this legislation be changed to remove the Universal Service Obligation to provide the same service to all Canadians. Changes to the legislation would also allow Canada Post to increase postal rates based on the distance of mail delivery and it would permit the corporation to charge fees to those Canadians who "opt to have home delivery."



Calgary, Septemr 17, 2016

How Minister Foote can present this as the "Government delivering on its promises" defies logic!

Canada Post was very pleased with the "Discussion Paper." It issued a statement thanking the Task Force "for its thoughtful research and detailed analysis."

The Canadian Union of Postal Workers (CUPW) expressed concern about what it called "the narrow and one-sided view" taken by the Task Force on postal banking and stated in a bulletin to its members that the union "will vigorously oppose all the measures that undermine public postal services and jobs." CUPW urged its members to participate in the upcoming consultations to convince the House of Commons Committee to "recommend against further cuts in favour of new services that generate revenue and provide a better, greener, public postal system for everyone."

The "Discussion Paper" states:



"The mandate of the Task Force for Phase 1 of the Review was to develop a discussion paper to inform Canadians, Parliamentarians and the Government on Canada Post Corporation's financial situation, the needs of Canadians, and potential viable options. The Review was to take into consideration the views of Canadians and other key stakeholders, comparisons with other national postal systems and past reviews.

"During Phase 2, a Parliamentary Committee is to consult Canadians on the options and make

recommendations to the Government based on what Canadians need for the future of Canada Post."

It is clear that right from the beginning of this process a neo-liberal orientation was imposed on the study of this important public service, which is of great importance to all Canadians and a very

important part of the communications sector of the Canadian economy. Calling this an "Independent Review," cannot hide the bias that it favours corporations, at the cost of sacrificing the wages, working conditions and security of the workers and eliminating the public services which is the starting point of the "Discussion Paper."

The "Discussion Paper" tries to overwhelm with statistics of the number of Canadians who provided views and the many "stakeholders" who participated in the study. This is to cover up the fact that right from the start the Task Force had no intention of studying all options for Canada Post. For instance, finding ways to ensure the functioning of a public post office with its mandate of the Universal Service Obligation was not part of the discussion.

The Trudeau government cannot hide with its high ideals of transparency and consultation that the purpose of this Task Force review is to impose its neo-liberal views on society. These views present the need for the workers and all Canadians to make sacrifices in order to ensure the profits of the corporation and clear the path for the privatization of public services to enhance the profits of multinational corporations in the communications industry.

The only surprising aspect of the "Discussion Paper" is that it has taken this long to produce it. It is basically a rehash of the dozens of reports financed by the ruling elite to justify the dismantling of the post office. Reams of statistics are given to prove that mail volumes are down, points of delivery are increasing, and wages and the cost of the pension plan are too high, etc. All these facts are presented to justify attacking the rights of postal workers to a decent standard of living, the right to have a say in their working conditions and also to convince Canadians that their right to a universal postal service is no longer affordable.



The following quote from the Task Force "Discussion Paper" indicates the direction in which the upcoming "consultation" will be pushed and the final outcome of the postal review which the Government is aiming to achieve:

"A major challenge faced by Canada Post is that its costs are largely fixed despite falling mail volumes. Fixed costs are primarily comprised of infrastructure and overhead costs, and as such are difficult for the Corporation to reduce in reaction to declining business volumes. Traditional postal services are highly labour intensive. In Canada Post's case, labour costs represent about 70 per cent of total costs and according to EY (Ernst & Young), are 41 per cent higher than those of comparable businesses in the private sector (Purolator, United Parcel Service (UPS) and DHL). Since 2011, despite having reduced its headcount by about 10 per cent or approximately 5,800 employees, the Corporation's overall labour costs have remained stable at \$4.4 billion."

On the Five-Point Action Plan:

"The Five-Point Action Plan announced in 2013 was intended to address financial sustainability by implementing changes. Initiatives under the Plan included: 1) Door-to-door conversion to community mailboxes; 2) Price increase; 3) Retail store efficiency; 4) Operations streamlining; and 5) Labour cost reduction. In November 2015, when Canada Post suspended the door-to-door

conversion to community mailboxes, it had completed the conversion of approximately 830,000 addresses with/for an estimated \$80 million in annual savings. Nonetheless, the estimated savings from the Five-point Action Plan are deemed to be insufficient to offset Canada Post's total projected costs over the medium and long term.

"Furthermore, under the current solvency funding required for its defined benefit pension plans, Canada Post could face further volatility such as from a market shock or interest rate decline, pushing solvency funding payments higher than its borrowing capacity, and putting the Corporation at risk of being unable to sustain its business and invest in its capital assets. On the other side, should any of these variables improve, the solvency payment would decrease. For the first six months of 2016, changes in these variables had a negative impact on Canada Post's solvency deficit, increasing from \$5.9 billion as of December 31, 2015, to \$8.1 billion as of June 30, 2016.



"In the absence of major business and operational changes, as well as reduction in pension costs and funding, Canada Post's financial self-sustainability is not achievable in the medium and long terms."

On the promise to restore home delivery:

"The cost of full door-to-door service restoration was also examined. The estimated annual cost of doing so would exceed \$1.2 billion annually, which would further compound the financial challenge of Canada Post and the Government. To this end, two different options for covering the costs were considered: 1) An annual fee for service per address that would vary from \$73 if applied to all addresses to \$124 for those currently receiving door-to-door services. 2) The

cost of a stamp would have to increase by a further \$0.50, over and above normal inflation increases, and keep rising to match declining mail volumes."

Not only are Canadians being told that home delivery five days a week is out of the question but the Task Force is proposing that user fees be charged for those who want home delivery. The "Discussion Paper" is also calling for a review of a moratorium on the closure of more than 3,000 rural post offices. This moratorium was put in place as a result of a mass campaign by millions of Canadians which became an issue in the 1993 election, which the Jean Chrétien Liberals used to defeat the Progressive Conservative government of Brian Mulroney.

The future of the rural post offices is also linked with the 493 retail offices which the corporation has not been able to close and replace with franchises like Shoppers Drug Mart because of a clause in the present contract between Canada Post and CUPW. The "Discussion Paper" is calling for a review of all protected offices which Canadians have massively rejected each time the issue is raised.

The "Discussion Paper" is supporting a further "streamlining of processing operations" which has been going on for about ten years, starting when Moya Greene, then President and CEO of Canada Post appointed by Paul Martin, closed down the processing plant in Quebec City and sent its mail to be sorted in Montreal. Since that time several major processing plants -- Windsor, London, North Bay and Ottawa to name a few -- have had their mail processing operations either eliminated

or severely cut back with mail being sorted in Toronto, Montreal or other major centres. This has resulted in the loss of thousands of positions and the displacement of workers as well as a deterioration of service.

It is not an accident that many of the subjects studied and elaborated in the "Discussion Paper" are also the main points which have been issues of contention in the recent, almost year-long negotiations between Canada Post and the CUPW. The "Discussion Paper" takes up where Canada Post left off, demanding the same rollbacks the corporation demanded that postal workers refused to accept despite repeated threats of lockouts and federally imposed arbitration.



While the Trudeau government wants Canadians to believe that it supports "good faith negotiations around the bargaining table," it is clear that the government is conducting the present mandate review to interfere in the negotiations process and use "expert studies" and its sham consultations to force the workers and the union to accept the rollbacks demanded by the corporation.

Negotiations ended in a stalemate and the workers and their union have succeeded in stopping the imposition of the major rollbacks demanded by the corporation. The release of the Task Force "Discussion Paper" at this time is a clear indication to postal workers and all Canadians that this government does not respect the rights of workers to negotiate their wages and working conditions. The "Discussion Paper" will be used to launch a barrage of disinformation and unsubstantiated claims to put the workers and their union on the defensive to achieve what they could not achieve through negotiations.

Postal workers and all Canadians must not let this pass. They must denounce the hypocrisy of the Trudeau government and defend the rights and dignity of the workers.



The Value Postal Workers Produce

- K.C. Adams -

When the Trudeau Liberal Party attacks the postal workers and the value they produce, it attacks the working class, Canadian nation-building and economic science. The Liberal presentation of universal home mail delivery as a cost to the economy is a denial of human-centred economics and an affront to Canadians.

The value postal workers produce and add to the economy can be measured accurately from the quantity of their work-time. The value they produce not only enriches Canada's nation-building but also provides a source of new value available for the realization of other value in the economy when exchanged.

Under Canada's current system of commodity production, where goods and services are produced not for their direct use-value but for exchange, all commodities must be realized, which essentially means they must be sold for money. When cars, tools, toys and services are produced within the socialized economy, they must be sold as commodities in exchange for the value in money of other

commodities that have been produced. All goods and services, called commodities, search for buyers. They need other commodities produced in the economy to be exchanged with them in their derivative form of money.

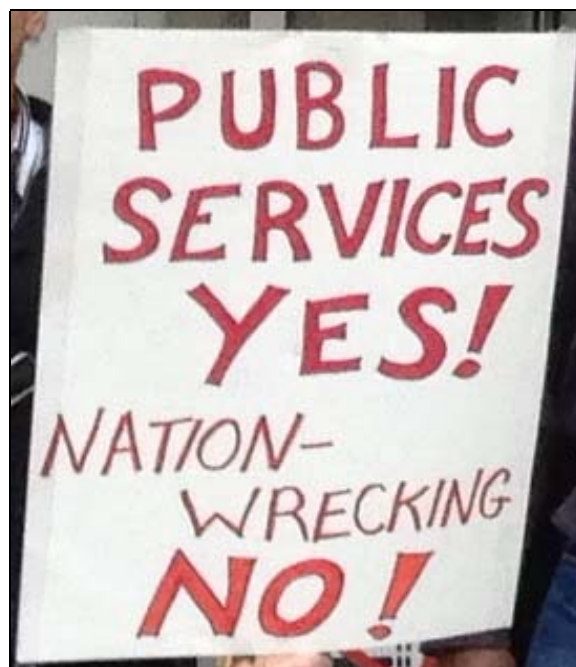


When postal workers produce value, they create commodities that become available for exchange with other commodities. This builds the economy, not to speak of providing a universal service that uplifts all Canadian communities and strengthens nation-building. The value postal workers create for the economy totals over \$8 billion annually, much of which goes into the realization of (buys) other goods and services in the economy.

The available new value postal workers create is constituted as reproduced-value, their wages, benefits and pensions; and added-value, the profit controlled by Canada Post executives and claimed by the federal government, the moneylenders who own Canada Post debt and claim interest, and for renewal and expansion of the postal service.

The total value postal workers create (\$8 billion annually) is the sum of new value, which is actual work-time represented as reproduced-value and added-value plus old value, which is the amount of value in money consumed from the use of machinery and material, the already produced value called transferred-value when used.

The entire amount, the sum of old and new value (\$8 billion annually), is available for exchange with other value in the economy. Similar to all other commodities the service postal workers produce must be exchanged and realized in money. A key question is how to complete the exchange with other value in the economy.



Canada Post is selling not just a service but a public service needed for nation-building. The public utility has a social responsibility to ensure door-to-door service is available to all Canadian households and businesses universally and at a price that generates an average rate of profit.

The market price is based on a price of production of the service and its use-value. The price of production is found using a modern formula that adds together the old with the new value that is

adjusted by including an average Canadian rate of profit. The price of production becomes the base figure for finding a postage market price that accommodates the necessity to provide universal door-to-door delivery of letters, flyers and packages for all Canadian households and businesses and which includes variations to accommodate small and medium-sized businesses and their needs.

The human-centred economic analysis rejects with contempt any attacks on the working class and nation-building such as the line of the Trudeau Liberal Party and its Minister of Public Services and Procurement Judy Foote who said, "We need to hear from Canadians, what is it Canadians want saved, when they recognize the cost. For instance on the Five-Point Action Plan, according to Canada Post they were saving anywhere from \$400-million to \$500-million a year by putting in place the roadside mailboxes. People will have to be realistic about it. What Canadians need to tell us is, do they want mail delivery five days a week, do they want it two days a week, three days a week, given the cost of the service..... I do not know what we are going to be able to keep [of home delivery], it will depend on what Canadians want, on what they say they need.... once they know the costs of providing a particular service."



The Liberal line presents the value postal workers produce as a cost to Canadians and the economy. This is a distortion of the reality that postal workers produce value. To eliminate or downsize the work of postal workers reduces the value they produce and the service they provide, and impoverishes and weakens the economy as less value is available for exchange and the realization of other value searching to be exchanged. Canada Post executive managers and the Liberal Party distort the destruction of value by saying, "According to Canada Post they were saving anywhere from \$400-million to \$500-million a year by putting in place the roadside mailboxes." The Liberal Party line contends that destroying value equates to "savings," which is grossly misleading to say the least.

The Liberal line presents the value postal workers produce as a cost and drain on the economy.

From this assertion, it presents any reduction in the value postal workers produce as a "saving." A "saving" for whom one should ask. The conclusion of this irrational line is to achieve maximum "savings" by totally eliminating the public service altogether. The Liberal line suggests the service is a cost to other parts of the economy from which value must be drained away to support a cost that is not exchanged and realized with money going to both sides of the exchange equally. This distorted view corrupts the economic reality and is designed to generate prejudices against postal workers, the public service itself and the positive role it plays in nation-building. The line presents Canada Post as some sort of institution that does not generate any value but rather requires government revenue to function such as the military. Canada Post is not the military, which consumes already produced value without producing any new value. Postal workers produce enormous new value with the service they provide of moving letters and parcels from one address to another. To eliminate universal postal service across Canada would be one more blow against smaller Canadian cities and towns and a material incentive to serve the global monopolies by concentrating most of the population in mega cities such as Toronto and Montreal.

Canadians should reject with contempt the Trudeau Liberal distortion of the economy and the

value postal workers produce. Canada Post is a necessary public institution that should provide universal home delivery to all addresses in Canada. By providing a service equally to all Canadians, Canada Post can meet its social responsibility for nation-building and generate enormous value for the economy.



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