

March 3, 2016

## No Payoff to U.S. Steel! Keep Stelco Producing! Unite to Defeat Monopoly Right!



The Communist Party of Canada (Marxist-Leninist) denounces with utmost contempt the CCAA ruling that sanctions not only the bogus claim of U.S. Steel on the remaining Stelco assets but also its deliberate wrecking and liquidation of a productive Canadian asset. The ruling under the anti-social authority of the *Companies' Creditors Arrangement Act* (CCAA) puts at risk the pensions of 20,000 retired and retiring steelworkers and salaried employees of the Stelco steelworks in Hamilton and Nanticoke and further threatens the livelihoods of the remaining employees.

The CCAA authority overrules the government of laws and leaves Canadians open to the unbridled abuse and tyranny of monopoly right. U.S. Steel has the audacity to say that money it put into its wholly-owned subsidiary is not an equity investment but a loan to an entity concocted in its own devious imagination. Apparently the assertion of powerful U.S. monopoly interests is enough to convince a CCAA judge to allow U.S. Steel to slink back to Pittsburgh with \$2.2 billion after all the damage it has caused, after all the promises it has broken.

Actions are the arbiter of aim, and in the case of U.S. Steel its actions speak louder than words

and prove that from the very beginning its aim was to destroy a competing Canadian steel company and abscond with its best customers. How can someone who calls himself a Canadian judge not see his ruling in the context of U.S. Steel's actions right from the beginning of its takeover of Stelco? Those actions have brought Stelco to the point of liquidation; they cannot be separated from its spurious claim for \$2.2 billion from the company it sought to destroy.

To reduce the judgement to what the CCAA allows or does not allow is a trick of the sycophants, a tactic of those who want to hide their sordid history. The judge thinks the people have short memories but they are engrained in our brain and written down in our own judgement of history. The CCAA is designed to suppress all history, all memory, all context, even the rule of law itself. The judge wants Canadians to think that his judgement is based on splitting hairs over CCAA law when this law itself is in contempt of a government of laws. It reduces everything to a narrow aim of protecting and serving the private interests who control the process. CCAA does not want to hear the crimes of the monopolies and parasites who have destroyed much of Stelco and stripped away the value and assets steelworkers have produced and built. The CCAA role is to serve monopoly right, whichever power at the time holds the upper hand.



It would elicit a smile if it were not so serious to reflect on the last time round for Stelco in CCAA in 2004-06. The infamous CCAA judge Farley with a stroke of the pen wiped out the equity ownership of Stelco spread amongst shares of the company widely held by thousands of current and former steelworkers, union locals, pension funds and well-wishers. Swoosh, equity gone in the blink of an eye to become "new" Stelco shares owned by a handful of parasites who had gained control; not gained through a proper purchase of ownership but through the CCAA process dominated by a U.S. CEO, the debtor-in-possession Brookfield, their court monitor and other parasites from New York. They made off like bandits with the \$2.2 billion U.S. Steel paid for Stelco after exiting CCAA with their "new" ownership shares in their pockets.



Of course at that time, equity was equity and not a concocted debt, as that served monopoly right. In the end the owners of equity lost everything to the parasites because those in control deemed it so. Judge Farley's magic CCAA wand did not turn equity into debt as in this new ruling, but rather made it disappear and reappear magically in the pockets of the parasites as a big score.

The current CCAA judge wants us to forget that sordid history and U.S. Steel's actions since seizing Stelco. He wants us to forget the shutdowns of production, the wrecking of Stelco's productive facilities, the unfulfilled promise to make the pensions whole, the breaking of the federal Canada Investment Act for failure to meet employment and production levels, the elimination of pension indexing and other anti-worker concessions, the absconding with Stelco's

lucrative automotive contracts, the refusal to pay post-retirement benefits, municipal taxes, the environmental cleanup and the \$150 million Ontario loan

The CCAA judge rewards U.S. Steel's abusive actions with a \$2.2 billion parting gift. Here, take it. Canada doesn't need a steel industry. We'll buy our steel from you guys in the U.S. or elsewhere. What the heck. A CCAA ruling in 2006 paved the way for \$2.2 billion to be thrown into a similar cesspool of parasitism, why not another \$2.2 billion as another reward for dominating and destroying our economy, our jobs, our pensions, our agreements, our politics, our governments, our laws.

The CCAA judge has the audacity to write in his ruling, "I conclude that the Objecting Parties [Canadian steelworkers, their unions, salaried employees, province of Ontario] have the burden of proof that the USS Debt Claims are properly characterized as equity claims under the CCAA."

Not only do Canadians have to prove they have rights, they have to do so within the CCAA, which should be properly characterized as the anti-law. The CCAA anti-law is designed to serve monopoly right. Its only purpose is to circumvent the government of laws so that monopoly right can triumph over public right.

The judge writes, "In a claims process under the CCAA, a creditor bears the onus of proving the validity and amount of its debt claim. It is not required to go further and prove the negative. In other words, it [U.S. Steel] does not have to demonstrate that a claim is not an equity claim. If another creditor chooses to assert such an argument, I think it must bear the onus of proving that an otherwise proven debt claim is more properly characterized in substance as an equity claim."

U.S. Steel declares that pigs can fly if you wish hard enough and the CCAA anti-law is on your side, while the people are forced to prove pigs can't fly even in U.S. Steel's deceitful imagination. Enough of this nonsense and travesty! A government of laws has to step in and put an end to this farce or Canada is sliding dangerously down into an abyss of monopoly right in which all are going to suffer. But the inaction of the federal and Ontario governments in defending public right leaves people looking for answers.



Maybe the communists are right when they say our security lies in the fight for the rights of all. That means the defence of rights emerges from the organized workers themselves and their allies throughout Canada engaged in actions with analysis. We can defend our rights! A powerful pro-social front in defence of rights and the future of Canada and its economy is the antidote to stop the global monopolies from ruining the economy, wrecking what Canadians have built and trampling on our rights.

Join with Stelco steelworkers and their allies in defence of their productive livelihoods, pensions and our collective economy! Join with Canadians in defence of the rights of workers and the rights of all!

***Public Right Can Defeat Monopoly Right!  
It Can Be Done! It Must Be Done!  
Let's Organize and Mobilize to Make it Happen!***

*The Pro-Social Voice of the Working Class Must and Can Be Heard!  
Let's Take Our Voice to the People and Unite As One in Defence of Public Right!  
Hold U.S. Steel to Account for its Crimes in Canada!  
No Payoff to U.S. Steel!  
Monopoly Right No! Public Right Yes!  
Keep Stelco Producing!*



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