

**EXECUTIVE BOARD STATEMENT TO THE
TORONTO & YORK REGION LABOUR COUNCIL
GENERAL MEMBERSHIP MEETING
THURSDAY, NOVEMBER 2, 2006**



“Manufacturing Jobs Matter”

In the midst of an apparently healthy economy, Canada’s manufacturing sector is in a state of deepening crisis. Tens of thousands of jobs have already been lost, and many more layoffs and plant closures are on the way as company after company announces plans for downsizing and restructuring.

According to the 2001 census, there were 453,000 manufacturing jobs in the Toronto CMA, which includes Peel and York regions. Inputs to manufacturing account for a large share of activity in business services; manufacturing wages support many jobs in consumer services; and taxes on manufacturing workers support quality public services for all citizens.

But since 2002 Ontario has registered an 11% loss, totalling some 125,000 jobs, while manufacturing production has increased 7%. We won’t have an accurate number for the Toronto region, but across Ontario the results have been appalling. At the OFL’s recent conference, participants heard one heart-breaking story after another about the devastation being visited on workers and their communities.

Ironically, one of the key factors has been the spiralling cost of electricity, particularly for forest products, refineries, smelting and auto parts. Labour warned the Ontario government about this when the public power system was de-regulated, and now the results are evident for all to see. This combines with the rise of the Canadian dollar being fuelled by the massive exports of energy, part of the continental integration agenda of our corporate elite and both the Martin and Harper governments.

The other major element has been the growing entry of Asian imports into the North American market. Clothing, electronics, tools and auto parts are today’s reality – cars and transit vehicles will be tomorrow’s. The federal government has completely abandoned any aspect of industrial strategy other than allowing the market to deplete our natural resources as quickly as possible. Provincially, other than pouring huge subsidies into auto plants, the situation is the same.

What should labour’s response be? We know that workers in other countries are never our enemy – it is multinational companies that scour the globe seeking to invest where the conditions of work and pay are lowest. Our fight is here in Canada, to turn around policies that deliberately sacrifice jobs to placate corporate greed. The solutions will comprise many elements, including:

- ★ forcing governments to use their purchasing power to support Canadian jobs

- ★ regaining control over our energy assets - electricity, oil and gas - so they can be used to underpin a stable and sustainable economy
- ★ regaining control over the Canada Pension Plan so that it is used to provide investment for public infrastructure and economic development
- ★ ending the use of Income Trusts which evade taxes and divert money away from upgrading equipment and machinery
- ★ undertaking a comprehensive "green job" strategy to secure a role in the next wave of economic restructuring
- ★ challenging trade policies that hurt workers and communities here and abroad

The executive board recommends that Labour Council:

1. create an Industrial Unions Working Group to map out a strategy to fight for manufacturing jobs in greater Toronto, and to work with affiliates and the OFL on a province-wide effort to defend the industrial base of Ontario's economy
2. continue the Made in Canada Matters campaign to address overall procurement policies of all governments and public agencies within our jurisdiction
3. request the Labour Education Centre to develop programs to provide our affiliates and activists with the analytical tools needed for this vital work