

Speaking Notes

for

**Ken Georgetti, President
of the
Canadian Labour Congress**

to the

International Union of Operating Engineers

**Loyalist Room , Hilton Saint John - Saint John Trade and
Convention Centre
Saint John, New Brunswick**

**Tuesday August 30, 2011
9:10 a.m.**

Sisters and Brothers, I am pleased to bring you greetings of solidarity from the Officers and 3.2 million workers who are members of the Canadian Labour Congress.

Consoeurs et confrères, c'est un honneur pour moi de vous transmettre les salutations de solidarité des dirigeantes et dirigeants et des 3,2 millions de travailleuses et travailleurs affiliés au Congrès du travail du Canada.

Many thanks to International Vice-President Mike Gallagher, Canadian Director James Murphy and your officers for inviting me to speak here today.

As we meet, the world is once again being rocked by another stock market meltdown – the 5th in just 20 years.

The reason is the same each time – the insatiable greed of the super-rich, including the CEOs who make more money in a half a day than your members make in a year.

The reason is business-friendly governments who steadfastly refuse to regulate financial markets and impose responsibility and order to avoid such disasters.

And the results are also the same each time:
working people and the poor around the world pay
the price for financial meltdowns caused by greed.

Millions of workers lose their jobs.

Billions of dollars in pension funds and retirement
savings for ordinary people simply vanish.

You and I know this is all true – because it's so
obvious.

But the business-friendly media don't want to tell people the truth – because then something would have to be done to end this travesty.

But big business around the world is very, very nervous right now.

That's because one of their own has become a traitor to his class – the super-rich.

Warren Buffett was the wealthiest man in the entire world in 2008. He's still number 3 in the world today – he's worth \$50 billion.

And Buffett said this month to governments:

“Stop coddling the super-rich.”

Billionaire Buffett actually wants higher taxes imposed on the wealthy.

You know – I think I'm going to make him an honorary officer of the Canadian Labour Congress!

“Brother” Buffett sounds pretty good to me!

Because Warren Buffett has belled the cat, and his fat cat friends are furious.

Here’s the key thing Buffett said – and it applies to Canada as well as to the United States:

“While the poor and middle class fight for us in Afghanistan, and while most Americans struggle to make ends meet, we mega-rich continue to get our extraordinary tax breaks.”

Buffett says his personal federal tax bill last year was \$6.9 million – a lot of money – but he makes \$40 million a year!

Then comes the shocker – here’s Buffett’s direct quote:

“But what I paid was only 17.4 percent of my taxable income — and that’s actually a lower percentage than was paid by any of the other 20 people in our office.”

“Their tax burdens ranged averaged 36 percent,” Buffett wrote in the New York Times.

Let’s get this straight - the third richest man in the world makes \$40 million a year and he only pays 17.4% of his income in taxes – that’s outrageous!

Not one person in this room pays a lower income tax rate than 17.4% - we all pay far more than that.

And Warren Buffett isn't the exception – for the rich, he's the rule – because they make money from money – not from an honest day's work on heavy equipment like many of your members.

We might foolishly think that in Canada we don't let the rich get away with this kind of stuff.

Think again.

Anyone here have Shaw Cable television at home?

The head of one of Canada's largest cable TV companies - Shaw Communications CEO Jim Shaw – recently retired at just 53 years old.

Shaw will collect a pension that pays him \$16,000.

Not \$16,000 a year.

That would be more than the maximum Canada Pension Plan retirement benefit of \$11,520.

And a lot more than the average Canada Pension Plan benefit of only \$6,000 a year.

Not \$16,000 a month. That would be \$192,000 a year – or 4 times more than the average Canadian worker makes.

No, Jim Shaw will retire on \$16,000 a day – every single day.

That's \$6 million a year – for the rest of his life.

He makes the maximum yearly Canada Pension Plan benefit every 17 hours!

And yet Shaw and his super-rich friends are the ones telling the Canadian Labour Congress to forget about our plan to dramatically improve the Canada Pension Plan so all workers and Canadians can retire with dignity and security.

These CEO with gold-plated pensions have the nerve to tell us Canada can't afford to make pensions liveable for everyone!

The reality is simple – we are in a class war right now – a war that was declared by the upper class and big business against the ordinary working people who we represent.

It's a war that we must win if our labour movement is to survive.

Why this war has been declared on us is simple – and it goes well beyond the usual reason of simple corporate greed.

No, this is a diversionary war – a tactic designed to confuse us, to divide us and then to conquer us.

When big business and the right-wing tell us workers in Canada have to tighten our belts, take wage cuts and see public services slashed – it's a lie.

What they don't tell you is that workers have faced wage stagnation for a third of a century.

Over the last 33 years – median income in this country increased by only 5.5 per cent, a Conference Board of Canada study found.

But the richest 0.1% [zero point one] – those with annual incomes of \$1.5 million or more – have more than doubled their share of Canada's wealth.

This country isn't going broke – it's that the super-rich are bleeding the rest of Canada dry!

So when big business tries to pit union workers against non-union workers, when it tries to encourage private sector unions to oppose public sector workers benefits and pensions – we understand they are up to no good.

When the super-rich say the economy can't afford defined benefit pension plans, they mean your pension plan, they mean workers' pension plans – not theirs.

This diversionary war is all about preventing us from talking about real pension reform – the changes we need to make sure every worker can retire with dignity and respect.

When you add up all the attacks on workers – the sad truth of the matter is this – Canadians are being played with a bait and switch game.

How did we get into this terrible situation?

And how do we get back out of it?

First - we've been framed by our opponents.

In the wake of a financial crisis caused by an unregulated market economy, unscrupulous investment scams, greed and fraud, they saw a literally golden opportunity to roll back workers' hard-won gains.

So we have to be smarter in fighting these threats to workers and their unions.

When they try to frame us, we have to fight fiction
with facts.

Fight fiction with facts – by using social media – like
Twitter and Facebook and blogs and texting and the
Internet.

I said at the Canadian Labour Congress Convention in May that labour can't be playing 8-tracks... and expect to organize workers listening to Podcasts on their iPhones!

And that's what the Operating Engineers have been doing – with the CLC's help – in taking on the Christian Labour Association of Canada – CLAC.

CLAC is a tool of unscrupulous employers to avoid being organized by real unions like the Operating Engineers.

And you have been fighting the CLAC fiction with facts – facts about what a substandard job they do for members.

Facts about how employers work with CLAC to avoid organizing drives by real unions like yours.

But now the tide is turning.

In the last few years many of our affiliates have fought back and more and more CLAC certifications are switching to the IUOE and other real unions affiliated to the CLC.

And I am very happy to tell you today that the CLC is leading the charge to have CLAC thrown out of the International Trade Union Confederation – the world umbrella groups for unions representing 175 million workers.

We are hopeful international unions around the world will heed our call and expel CLAC shortly.

That will also be helpful in organizing drives and representation votes against CLAC.

This is good news and I look forward to continued success against CLAC.

But we still face challenging times ahead on many fronts.

Union members – including your members – are getting older.

Put simply, we need new blood, a new generation of union activists to take up the torch.

I know that is a concern for you and I encourage the Operating Engineers to consider appointing a young member of your union to the CLC's Young Workers Working Group.

This Working Group of members under 30 years of age meets twice a year in person and twice by phone – to exchange ideas about how to engage younger members with their union, get involved and build our movement.

The CLC would particularly welcome an I.U.O.E member because we need more building trades' involvement in this exciting committee.

Engaging our members has always been the key to our success in the labour movement – talking to our members.

We have to educate our local executives, activists and steward body to engage our members with our own message.

And we need every union member's help to get these simple messages across:

“That lifting up our standard of living is a good thing.”

“That being in a union means earning a decent wage so that we can buy a home, a car, raise a family, take a vacation, put our kids through college, and after a lifetime of work, be able to retire in dignity.”

Unions are a vehicle to achieve all these great things – so we should publicly celebrate our unions and be proud of all we do – all that you do – for workers and their families.

So when we talk to our members, when we fight fiction with facts, when we give them the strong message of the union advantage – then brothers and sisters, we will win.

Thank you for listening and for all you do to make this a better world.

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