

Maybe you work in the Alberta oil patch, or an auto plant in southern Ontario, or a call centre in New Brunswick. You could be a forestry worker, a bank teller, or a university teaching assistant. Wherever you live, your future is on the line as the global economic crisis sweeps across Canada, and layoffs and shutdowns spread like a wildfire. You could already be one of the

1.3 million Canadians ‘officially’ unemployed, or one of the millions who survive on part-time, temporary, low wage jobs. Perhaps you are among the two-thirds of jobless workers who aren’t eligible to collect benefits from the EI fund built up from your pay deductions.

And the crisis is just beginning. At least 50 million workers will lose their jobs across the world this year. Production has dropped by up to fifty percent in some countries, and food shortages are spreading. A real global economic recovery could be years away. Who created this mess? Who should pay for the crisis? What policies can help working people instead of the rich?



### So who’s responsible?

It would be easy to pin the blame for the economic meltdown on a few greedy individuals. It’s true that a handful of global billionaires and gigantic transnational corporations have artificially inflated and manipulated the values of real estate, high tech, stocks, commodities, even national currencies. “Bubble capitalism” has reaped enormous fortunes for the ultra-rich, while billions of working people and the poor ended up deeper in debt.

The neoliberal policies of right-wing governments made matters worse, through privatization, deregulation, tax cuts for the rich, and social program cuts. They claimed these neoliberal policies would increase everyone’s wealth. Instead, the gap between the rich and

working people has widened to staggering proportions, and labour & democratic rights are under increasing attack.

Capitalism always heads towards crises. Individual capitalists and corporations, competing for higher profits, seek to maximize their return on investment by cutting labour costs; this process always cuts spending power, leaving working people without the necessary income to purchase the goods and service we produce. Throughout history, this cycle results in frequent economic crashes, followed by recoveries. Every time, workers pay the price, while the bosses end up getting richer.

### Are we really in the same boat?

We are told that “everyone’s in the same boat” during this economic depression. Maybe if it’s the *Titanic* – the wealthy have plenty of lifeboats while most of us are locked below decks. In Canada, as in most countries, the first response by pro-capitalist governments was to “bail out” corporations facing financial ruin – the same corporations which reaped record profits for years, at the expense of taxpayers and workers. While millions of working people lose their jobs, homes, and pensions, fat cat CEOs still get huge bonuses and bloated salaries. The Tory budget introduced in late January hands billions of dollars to corporate shareholders, while most working people laid off by these companies can’t even collect EI. Same boat, all right!

### What should be done?

Instead of making workers pay for the crisis through wage cuts and unemployment, those who have enjoyed billions in profits must pay. We need to unite and fight for an emergency program to protect jobs and incomes for working people, and put Canada back to work. Such an anti-crisis plan should include measures to:

- ⇒ expand EI to cover all workers for the full duration of unemployment, with benefits at 90% of former earnings;
- ⇒ protect and expand manufacturing industries on the basis of a comprehensive industrial policy, and introduce plant closure legislation;
- ⇒ place a moratorium on evictions and mortgage foreclosures and utility cut-offs due to unemployment;
- ⇒ increase the minimum wage to \$15/hr., increase pensions and take other steps to raise incomes and stimulate domestic consumption;
- ⇒ take emergency action to improve the social and economic conditions of Aboriginal peoples;
- ⇒ invest in a massive public construction program to build affordable social housing, rebuild Canada’s infrastructure, and protect the environment;
- ⇒ shift the tax burden from working people onto the corporations and the wealthy;

(see over)

## These figures don’t lie!

- ◆ The richest 10% of Canadian families with children earn over 80 times more than the poorest 10% of families, who earn less than \$10,000 per year on average.
- ◆ Canadian households used to save about 20% of their after-tax income. Today, the savings rate averages zero, and personal debt is at an all-time high.
- ◆ About 2.2 million Canadian workers (16% of the total, including 19% of women workers and 12% of men) had jobs in 2005 that paid less than \$10 an hour. Thirteen per cent of all jobs in Canada pay less than \$8 an hour.
- ◆ Corporate profits as a percent of GDP rose from less than 5% in 1992 to historic highs of over 14% by 2005, and remain at this record level.
- ◆ Total annual operating profits of corporations in

Canada rose from \$40 billion in 1992, hitting the \$100 billion mark by 1997, \$150 billion by 2003, and up to \$216 billion in 2008.

- ◆ Corporate taxes as a percentage of total profits have fallen from the 35-40% range during the late 1980s, down to less than 25% in recent years.
- ◆ After adjustments for inflation, wages for full-time Canadian workers were virtually stagnant from 1992 to 2005, at about \$730 per week.
- ◆ Workers’ share in the overall “economic pie” has declined sharply, from 68% in 1992 to 61% by 2005. Meanwhile, the share going to profits rose from 22% up to 33%.

**Data from Statistics Canada and the Canadian Centre for Policy Alternatives**

- ⇒ expand Medicare and universal social programs, invest in education and cut tuition, introduce a universally accessible affordable system of quality public child care; and
- ⇒ immediately withdraw from the disastrous war of occupation in Afghanistan and cut military spending by 50%.

These immediate anti-crisis measures should be strengthened by more transformative steps, including:

- ⇒ nationalize the big banks, insurance and other financial institutions and place them under public, democratic control;
- ⇒ nationalize the energy industry to guarantee domestic supply and to provide the material basis to rebuild Canadian industry and create hundreds of thousands of jobs, especially in renewable energy and mass transit;
- ⇒ place the “Big Three” automakers under public ownership and democratic control, and build a small, fuel-efficient, affordable and environmentally sustainable Canadian car;
- ⇒ immediately withdraw from NAFTA, and adopt a diversified, multilateral trade policy based on mutual benefit; and
- ⇒ introduce a liveable, guaranteed annual income (GAI), and a shorter work week with no loss in take-home pay.

Such a plan would move our country in a fundamentally new direction, by placing the needs of working people and our environment before corporate greed, establishing a foreign policy based on peace and disarmament, and reversing the erosion of our sovereignty.



Young people join workers in a general strike across France to protest the right-wing policies of the Sarkozy government – January 29, 2009

## How can we achieve these goals?

We can't move in this direction by meekly accepting pay cuts and job losses – that's the lesson from the last “great depression”. We need a massive campaign to block the Tory-corporate attack and to demand pro-people alternatives. Instead of summit meetings with corporate leaders, we need people's summits, bringing together the organized labour movement, Aboriginal peoples, youth and students, women, farmers, seniors and all democratic forces engaged in the struggle for peace, the environment and equality rights, to unite and fight back at this crucial moment.

We need to build a real *People's Coalition*, in the streets and communities and at the electoral level, to curb the power of the corporations and resolve the crisis in the interests of working people.

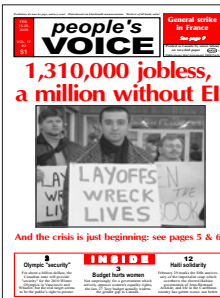
The Communist Party of Canada, the party that led the crucial working class struggles during the ‘dirty 30s’, pledges to do everything in our power to help build and win such struggles. We urge you to take up these issues in your unions, your workplaces and schools, your communities. If you agree with our proposals, contact us today. Join and build the party that combines today's urgent fightback with the vision of a socialist future, one in which unemployment, hunger, exploitation, oppression, war and environmental degradation will be ended forever!

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## People's Voice

Every issue gives you the latest on the fightback from coast to coast – the struggle for jobs and peace, aboriginal resistance, social cuts or workers' struggles around the world. We've got what the corporate media won't print. Workers of all lands, unite!

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# Working people didn't cause this crisis...

# and we won't pay for it!

**Unite and fight to  
defend our jobs,  
services and rights!**