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New Year leaves disabled Nortel workers without benefits

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OTTAWA - The new year is bringing little joy to some 400 former Nortel employees who find themselves abruptly cut off from their long-term disability benefits.

Without the benefits, the workers predict 2011 will herald a life of poverty and pain.

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They fear they won't be able to afford to buy their prescription medications, much less keep roofs over their heads or food on their tables.

Disability benefits were to cease as of midnight Friday as part of a court-approved pension settlement among Nortel and its former employees.

The once-mighty telecommunications technology giant filed for bankruptcy protection two years ago.

The Harper government has nixed a Liberal proposal to give the affected workers preferred creditor status when Nortel is finally dissolved, effectively changing the settlement retroactively.

But Industry Minister Tony Clement has said the government is working on "real solutions" for the employees.

However, those solutions may be some time in coming.

Darren Cunningham, a spokesman for Clement, said Friday that several departments are "looking at all the options we have within existing programs" to help ease the plight of the workers. Should those prove insufficient to meet their needs, he said the government may then consider additional measures.

"If there is a gap between that, what we can use existing programs for and what could potentially still be needed, then we'd have to look at that at that point," Cunningham said.

Among other things, the government is urging the 400 workers to check if they're eligible for disability benefits under the Canada Pension Plan and it's promising to expedite review of all such applications.

It's also working with the provinces to ensure access to all available provincial disability programs.

"Obviously, the government sympathizes with the position that these folks are in, very much so," said Cunningham.

"We're turning over every rock and doing what we can."

Thirty-nine of the employees have taken matters into their own hands. Earlier this week, they sought leave to appeal the court-ordered settlement.

"The objective . . . is to gain a last-minute reprieve from the life of poverty and medical crisis that is imposed on them" by the settlement, the group said in a statement.