

National President's Report

January–March 2004

Dear Sisters and Brothers:

I hope this report finds each of you in good health and spirits as we face the wide array of challenges so evident throughout our union.

Since my December 2003 report things have been very busy on a number of fronts. While we have only a handful of strikes and lockouts, some of these have gone on for a long period of time.

On the bargaining front, 2004 will be a busy year and as you will note further in this report a number of provincial governments seem bent upon forcing confrontations.

As always, there is a wide variety of work with many accomplishments by our members, coast to coast. My hope is that this report provides you with a glimpse of the key issues we face and the tremendous activism CUPE members display day in and day out.

Airline Division

All components of the Airline Division met in Toronto in late January and an agreement was reached to proceed with the restructuring of the Division. This agreement resolves some long-standing concerns of the Air Canada Component (which represents over 90% of the Division's members). A Division Conference will be held this spring to approve the restructuring.

Our First Air Component has reached a tentative collective agreement after a difficult round of negotiations. After our members leafleted the employer's scab training classes, First Air withdrew their concessions and we achieved a settlement of 13.5% over 4 years with an additional 1% on RRSP.

Air Canada's emergence from bankruptcy protection continues to be a complicated process. Equity Investor Trinity Investments has pledged \$650 million but has also demanded a two-tier pension arrangement. The proposal would see new hires and some current staff covered by a Deferred Contribution Plan as opposed to the current Deferred Benefit Plan.

Air Canada unions, including CUPE, are steadfast in their refusal to even consider such a proposal. Bargaining last year saw Air Canada unions agree to just over \$1 billion in concessions in each year of a six-year deal. The centerpiece of this deal was preservation of the existing pension plan. As of the date of this report, Air Canada unions have resisted in changes to the structure of their revision plan and an agreement on the plan's unfunded liability has been reached and is currently before OFFSI, the federation pension regulatory body.

Strikes/Lockouts

Since my December 2003 report we have achieved a settlement for Local 3078 members employed by the Wadena School Board (Saskatchewan). After 130 days on the picket line, members resisted all concessionary demands and maintained their job security while improving wages and benefits.

Taxi dispatchers in Ottawa, members of Local 4266-08, commenced strike action on New Year's Eve. After three weeks on the line, a new agreement was achieved which provided for a significant increase in start rates, a reduction in the number of salary increments and employer-paid health benefits.

Women's shelter workers in Aurora, Ontario (Local 3636) were locked out on January 24, 2004. Management is seeking to lay-off nine members (all union activists) who in their view do not have sufficient education to retain employment. Coincident with the lockout, women and children in-care were moved to hotels on one hour's notice.

In Quebec, the members of Local 301-07 at Six Flags returned to work on February 8, 2004, after being on strike since November 19, 2003. This excellent settlement included salary increases of 16% to 53%. As well, 140 new members, workers of concession stands (restaurants and warehouses) will now be represented by Local 301.

The following groups remain on strike at the time this report was written:

PROVINCE	LOCAL NUMBER	EMPLOYER	# OF MEMBERS	STRIKE BEGAN
Québec	2229	Ville de Blainville	46	January 19, 2004 (rotating strike)
Ontario	3636	Yellow Brick House	31	January 24, 2004 (lockout)
Québec	4255	Municipalité de Saint-Jean-de-Matha	7	March 11, 2003
Québec	4290	Municipalité de Sainte-Béatrice	7	March 11, 2003
Québec	4646	Groupe TVA	6	January 30, 2004 (lockout)

New Deal for Canadian Cities

As many of you will have heard, there is a growing national debate on the state of our cities, particularly crumbling infrastructure (roads, water/sewer systems, bridges, etc.).

The Federation of Canadian Municipalities (FCM) cites a \$60 billion backlog of infrastructure repair work in Canada's cities. The combination of provincial downloading, lack of federal funding and increasing pressure on city property tax bases have combined to see this infrastructure deficit grow significantly in recent years.

The FCM and Canada's big city mayors have been calling for new revenue sources for municipalities. Options put forward include a rebate on GST payments, a portion of the federal automotive fuel tax and a portion of federal/provincial income and corporate taxes.

CUPE supports the call for a New Deal for Canadian Cities as our municipal members know all too well about the declining state of our infrastructure.

To this end, we have been engaged in a number of activities to support the New Deal initiative:

- In December 2003, we wrote all Canadian mayors with CUPE's legal opinion on the impact of trade deals on Canadian municipal governments.
- Meeting with the FCM to coordinate New Deal activities. We will also attend the annual FCM convention in Edmonton in late May.
- In January, I attended Toronto Mayor David Miller's meeting of ten Big-City Mayors on the New Deal. The presidents of Local 79 (Toronto-inside) and Local 416 (Toronto-outside) also attended this meeting.

- In late January, together with the president of Local 30 (Edmonton-outside), I attended a meeting with Mayor Bill Smith to offer our support for the New Deal initiative.
- In mid-February I met with former BC Premier Mike Harcourt who is heading up a federal committee on the Cities file.
- We will continue to meet with Canadian mayors to work with them on a New Deal for Canadian Cities.

HEU/IWA/CLC Dispute

Our ongoing dispute with the IWA-Canada and the Canadian Labour Congress (CLC) remains unresolved.

By way of re-cap, it has been well documented how the BC Campbell government's Bill 29 removed the legislated successor rights and contract provisions protecting workers from contracting out. In the face of this legislative assault, the government moved to contract out support staff work.

Three corporations (Sodexo, Aramark and Compass) began approaching unions to sign partnership (or voluntary) agreements to represent contractor staff. The BCGEU and UFCW both refused such overtures. The IWA-Canada did not. Their largest BC local inked deals that slash wages in half, eliminate pensions and reduce benefits. These agreements are imposed on workers seeking work with contractors.

CUPE's complaint that these so-called partnership agreements constituted a violation of the CLC Constitution was upheld by a CLC appointed impartial umpire. CUPE sought the IWA's withdrawal from all such agreements, failing this, we sought the imposition of stage 3 sanctions on the IWA-Canada. This motion was defeated by the CLC Executive Committee.

A substitute motion (not supported by CUPE) was adopted, seeking to "put a fence" around contracts awarded prior to the CLC umpire's decision. Since the November 2003 CLC Executive meeting, this resolution has not been complied with by the IWA-Canada. The issues in dispute therefore remain unresolved.

A number of important points are worth noting, arising out of this dispute:

- To date we have lost about 3,000 jobs and this work (mostly women's work) has been devalued. Wages have been cut in half and pensions eliminated. As a union we need to mobilize support both within and outside of CUPE to oppose the BC government's privatization and their elimination of fundamental trade union rights.

- It is near impossible for us to fight a right-wing government, global corporations and a CLC affiliate.
- The CLC Constitution and structure does not provide an effective means to deal with affiliates who engage in activities that divide our movement.
- We have tremendous support among federations of labour, labour councils and rank-and-file union activists.
- Our efforts must continue to force the CLC leadership to deal with the IWA-Canada and to have them withdraw from the so-called “Partnership Agreements”.

Relationship Building

The National Executive Board discussed the importance of relationship building with other unions and CUPE’s participation within Federations of Labour and Labour Councils. Now more than ever CUPE needs to strengthen its ties with our allies in the labour movement.

In the few short months that I have been in office, I have met with many members of the CLC Executive Committee, other organizations and coalition groups to open up lines of communication and strengthen CUPE alliances. CUPE is also initiating joint meetings with other public sector union leaders to discuss issues of mutual interest.

While traveling, I have also attempted to meet with as many CUPE locals as possible to personally talk to members regarding their challenges and engaging in face-to-face exchanges. In those discussions, I’ve been encouraging locals to play an active role in the broader labour movement in their communities, in political action and with coalition groups. It’s by building stronger bonds at the community level that we’ll create a firm foundation for our Communities Campaign and our fight against privatization.

CUPE Supports Stelco Workers

Members at the National Executive Board Meeting were asked to pledge their total support and solidarity for Stelco workers, members of the United Steelworkers of America, in their efforts to fight off threats to their pensions, wages and working conditions as the company structures under bankruptcy protection.

The resolution calls for:

- Full CUPE participation in the upcoming USWA fightback demonstration to be held in the Copps Coliseum May 1st in Hamilton;

- A request of chartered organizations to send messages of support; and CUPE's commitment to work with other labour organizations to promote and win legislated protection for workers when employers file for bankruptcy and actively support the Private Members' Bill C-474.

Federal Election Strategy

CUPE's Federal Election Strategy calls for CUPE members to get involved and actively engaged in what is likely to be the most significant campaign ever.

The basic element to our election strategy will be to run an issue-based campaign, bringing to the forefront CUPE issues, particularly the privatization of public services. To this end, CUPE will continue to participate in various coalitions and CLC efforts to raise public interest and concern about the issues of special importance to our members. We will also direct volunteers to priority NDP campaigns.

Each region has been asked to identify a staff election coordinator who will work with all the appropriate CUPE structures and provide assistance to any political action coordinators in their region.

Strategic Directions Policy Document

As mentioned, our 2003 National Convention adopted a Strategic Directions Policy Document after over four hours of debate, spread over four days of the National Convention.

The Strategic Directions Document has three main thrusts:

1. Strengthen our bargaining power to defend and make gains.
2. Increase our day-to-day effectiveness as a union.
3. Intensify our campaign to stop contracting out and privatization.

Appended to this report is a short version of this document. I urge each of you to align your local priorities with this policy document that our convention overwhelmingly endorsed.

Since convention, we have begun the important task of integrating the Strategic Directions Document into CUPE's budget, our staff training sessions and provincial division planning work.

Campaign to Rebuild Communities is Launched

National Executive Board members were asked to adopt an ambitious and multi-tentacle work plan on how CUPE will intensify its campaign to stop contracting out and privatization. The key elements to the campaign include rebuilding strong communities by promoting reinvestment in public infrastructure and strengthening public delivery of public services.

Some initiatives are a special community display at provincial division conventions; a day of action for strong communities; participation at the Annual Conference of the Federation of Canadian Municipalities; further work on the promotion of public bonds; research on women and privatization; national polls; and forging strong alliances.

CUPE members are urged to take a moment to visit our new privatization road map accessible on the CUPE website which assists in tracking and combating privatization threats. The map allows a visitor to the site to identify examples of privatization in his or her own community.

CUPE National Committees

All CUPE National Committees and Working Groups will be gathering between April 30 and May 2, 2004.

This is a first for us. The National Executive Board made this decision in order to have our committees meet together to discuss their goals and purpose, their relations with one another and, most importantly, how to best share their work throughout our union.

Most importantly, all committees will be asked to integrate the 2003 National Convention's Strategic Directions Policy Document into their work for the 2004/2005 term.

Regional Highlights

Newfoundland and Labrador

Over two-thirds of our members are in bargaining and it seems that the new PC government is bent upon forcing wage freezes on public sector workers. CUPE Newfoundland and Labrador is conducting a public relations campaign and is working closely with other public sector unions. It is anticipated that strike action will take place by the end of March if we are unable to reach an agreement with the employer.

Nova Scotia

Health care workers are in bargaining and all indications are that it will be a very difficult round. We have a major organizing campaign ongoing in the nursing home sector.

CUPE 1867 (Highway workers) continue to push for its members to be included in the Trade Union Act. These workers are presently covered under a special Act (Highway Workers Act), which places severe limitations on union activities, i.e. no right to strike.

Prince Edward Island

CUPE PEI held an executive meeting to discuss the integration of the Strategic Directions Document into our work on the Island. The Division is also planning a spring women's conference to be held April 23-24.

New Brunswick

On February 9, 2004, the New Brunswick Federation of Labour held a media conference to announce the agreement amongst 18 unions, representing 65,000 members, in support of free collective bargaining. CUPE-NB, together with our staff in the region, have spearheaded this initiative which flows from a decision taken by all locals to withdraw services if any CUPE group is legislated back to work and has an agreement imposed upon them.

Public Auto Insurance remains an active issue in the province with an all-party committee report soon to be released.

Quebec

CUPE-Quebec, with its QFL affiliates and all of the Quebec union movement, continues to mobilize against the Charest government's plan to gut labour laws and privatize health care and other services.

Public opinion polls show that the Charest government does not have the support of the general public in pursuing this attack on the public sector.

A major court ruling invalidated Chapter IX of the pay equity legislation. Some provisions of this chapter actually represented a loophole for a number of employers. Indeed, those who had carried out salary relativity projects in the past could be exempt from the application of the general plan provided in the legislation. These provisions were deemed discriminatory.

Ontario

The McGuinty government, which at one point represented positive change in Ontario, has been sending out very different signals of late.

They continue to pursue P3 solutions to re-build health care and Bill 8 poses a threat to the bargaining rights of health care workers. The Ontario Council of Hospital Unions (OCHU) has been leading an intensive fightback against any move to attack bargaining rights.

At a broader level, the Premier's comments about public sector bargaining have been met with a swift response from CUPE and other unions.

The Ontario Division is continuing planning efforts to implement campaigns arising out of their December 3rd Think Tank.

Manitoba

The Manitoba government is moving to bring sandwich making in-house after a failed contracting out experiment. This work is expected to be done by CUPE members at the centralized food preparation facility in Winnipeg.

Major health care negotiations are set to begin this spring. School Board amalgamation votes will also occur this year.

Saskatchewan

Over one-half of CUPE Saskatchewan's 24,000 members will be involved in health care bargaining this year.

In addition, most major municipal agreements are open this year through the province.

Alberta

CUPE Alberta's Executive is hard at work on plans to open up their first Division office. As well, delegates to the annual convention in Lethbridge (in March) will debate a resolution on moving to have a full-time Division President. Plans are also under way for an executive think tank to be held in early May.

Each of these efforts is part of our plans to strengthen CUPE's presence in Alberta.

CUPE is maintaining a strong presence in health care in Alberta. The Grande Prairie Care Centre voted to return to CUPE after leaving in 1991. We are happy to welcome them back, and look forward to negotiating a strong collective agreement.

In early January, Local 3550 activists joined members of the Edmonton Coalition Against War and Racism to deliver mock missiles to Deputy Prime Minister Anne McLellan's office in protest of any plans the Canadian government has to join the U.S. missile defence system.

British Columbia

CUPE BC is mobilizing across the province toward a Day of Democracy, which will include community and job action designed to send a message to the Campbell government that British Columbia has had enough!

Negotiations are headed to the brink with our HEU members as well. Our concerted attempts to protect jobs at the health care bargaining tables are met with the ideology of privatization.

Members in BC have been engaged in very difficult multi-union negotiations in the social services and community health sectors.

The Campbell government continues to try and off-load responsibility to service delivery. The BC economy is the poorest performing in Canada due to the government's ill-conceived tax cuts and anti-worker policies.

K-12 bargaining is another big priority for BC locals.

Retirements Across the Country

Two very key staff people have announced plans to retire. Brother Jim Holmes (Regional Director – Saskatchewan) and Sister Cynthia Wishart (Regional Director – British Columbia) are retiring. On behalf of our union, I wish to thank them and salute them for their many years of dedicated service to CUPE.

Across the country, other CUPE staff are retiring. They include: Kathleen Kennedy (Nanaimo Area Office), Myrna Weiss (Kitchener Area Office), Darlene Bellinger (Kelowna Area Office), Mary Doesberg (Toronto Office), national representatives Norman MacKenzie (Peel Area Office), June Ross (Nanaimo Area Office), Guy Gohier (Quebec Regional Office), Paulette Caron (Prince Albert Area Office), Egon Keist (Airline Division –Toronto), John Welden (Saskatchewan Regional Office) and Ron Pilling (Alberta Regional Office). Please join with me in thanking them for their commitments throughout the years and wishing them a happy and healthy retirement!

In closing, our activists are on the front line, from coast to coast. While we face many challenges, our unity and resolve will see us through these struggles.

In solidarity,

PAUL MOIST
National President

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Strategic Directions Document: Three Strategic Priorities for CUPE

1. Strengthen bargaining power to defend and make gains

- ▶ More coordinated and centralized bargaining on sectoral basis.
 - i. Every sector to develop a strategic plan on how to achieve greater coordination/centralization of bargaining.
- ▶ CUPE solidarity pacts committing members to take action when another group of workers is under attack.
- ▶ Coordination with other unions wherever we represent workers in the same sector.
- ▶ Better exchange of information on bargaining and improved access to computerized information on collective agreement provisions.
- ▶ Build capacity to mobilize members to take action.
- ▶ Build capacity to provide strike support to others.
- ▶ Increase affiliations.
- ▶ Organize in new, creative ways – particularly small workplaces.
- ▶ Identify CUPE-wide key bargaining priorities.
- ▶ Political action to support collective bargaining and to fight legislated attacks, whatever form they take.
- ▶ CUPE district councils, where they exist, to play more active role in supporting collective bargaining, political action and strike support.

2. Increase day-to-day effectiveness as a union

- ▶ Extensive study of problems and weaknesses so that a plan can be developed to take effective remedial action.
- ▶ Develop the skills of local union/bargaining council leaders and activists to be more effective in every way.

- ▶ Develop the skills of staff to assist local unions/bargaining councils in union-building.
- ▶ Develop program to increase the participation at all levels of the union of women and members of other equality-seeking groups.
- ▶ Program to get local unions to maintain active membership lists, including email addresses.

3. Intensify campaign to stop contracting out and privatization

- ▶ Actively organize against every attempt to privatize or contract out in our jurisdiction.
- ▶ Coordinate anti-privatization on a national basis by giving national support to local/provincial strategic battles, and by sharing information and experiences across the country.
- ▶ Fight for successor representation rights. Where such rights don't exist, follow our work by organizing workers of contracted out or privatized services.
- ▶ Engage broad labour movement in fight against privatization. This includes getting labour movement to reject attempts by employers and other unions to undermine negotiated labour standards by signing sub-standard voluntary recognition agreements.
- ▶ Stop pension fund investments in privatization schemes.
- ▶ Vigorously defend job security protections through coordinated/ centralized bargaining actions up to and including strike action regionally, provincially or nationally if that's what it takes.
- ▶ Mobilize against free trade agreements.
- ▶ Build links with unions around the world in the global fight against privatization.
- ▶ Develop strategy and campaigns to bring specific privatized services back into the public sector. Strategic targets need to be identified. Some examples to consider include long-term care; waste management services; information technology; food and other services at public facilities such as universities, hospitals, schools.