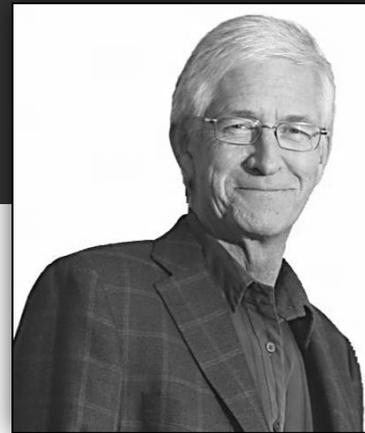


PRESIDENT'S REPORT

TOM GRAHAM



Greetings Delegates,

Over the past year, CUPE members were a strong voice for a better way in the face of growing privatization of Saskatchewan's public services and legislative attacks seeking to take away protections and rights at work for Saskatchewan people.

The Saskatchewan Government's expanded privatization agenda was felt across the province. It began with the devastating news that all public health care laundry will be handed over to a for-profit Alberta-based corporation, sacrificing 400 good-paying jobs within the next two years and leaving taxpayers to foot the bill for unnecessary corporate profits. Later, the Provincial Government announced that key infrastructure will be privatized through Public-Private Partnership (P3) schemes including nine new public/catholic schools and the new Saskatchewan Hospital in North Battleford – ignoring clear evidence that P3s have been plagued with secrecy, scandal and cost over-runs in other provinces.

Saskatchewan's municipalities likewise chose to pursue costly P3 privatization schemes, pressured by the Conservative Federal Government's ideologically-tied funding, most notably with confirmed P3 announcements for Regina's wastewater treatment plant and Saskatoon's city yards. These actions were followed by an exposed back-room deal initiated by the Provincial Government which, although reported to have fallen apart, attempted to sell off Crown-owned casinos, adding to a mounting list of Crown Corporation privatization since forming government in 2007.

Right-leaning governments at both the Federal and Provincial level also continued to pursue legislative attacks designed to

weaken unions and erase our proud history of raising the living standards and rights for

everyone. The Conservative Federal Government's Bill C-377, which singles out and seeks to undermine the independence of unions, was derailed in the Senate, sent back to the House of Commons, and is again before the Senate since Prime Minister Harper prorogued parliament. Provincially, *The Saskatchewan Employment Act* passed and, once it is proclaimed and in force this year, will threaten to unfairly remove people from their union and union contract.

Concurrent with these privatization and legislative challenges was a list of further misguided political decisions by our governments over the past year that leave Saskatchewan workers worse off.

A new "free" trade agreement known as the Canada-European Union Comprehensive Economic Trade agreement (CETA) was signed and will undoubtedly push up the price of prescription drugs and expand corporate rights at the expense of democracy and public services. Employment Insurance – the national insurance each and every worker already pays for – became even more difficult to access due to implemented restrictions imposed by the Federal Government which has reduced Employment Insurance protection to its lowest rate in 70 years. Moreover, our Provincial Government stubbornly stood in the way of an improved Canada Pension Plan, despite clear resounding evidence it is the most cost-effective way to extend retirement security for everyone and a failing status quo that sees over half of all Saskatchewan workers without a workplace pension and unable to save enough for retirement solely on their own.

CUPE members can and will meet these challenges through the solidarity that brought us the gains we enjoy today.

Talking to our members, each and every one of them, about the benefits of union membership and the necessity of political action will allow us to continue our work extending the union advantage and building a fair and just society.

With a reputation as Saskatchewan's community union, CUPE welcomed new Sisters and Brothers this past year in CUPE Local 5163 comprised of child support workers at the Sunshine Haven facility in Prince Albert. New education support workers in schools located in Tisdale, Arborfield, Hudson Bay, Porcupine Plain, and Nipawin joined CUPE Local 4874. Moreover, approximately 90 new education support workers in the Prairie Spirit School Division joined CUPE Local 4254. Together, they grew our union's ranks to nearly 30,000 members across Saskatchewan.

I wish to thank our Provincial Executive for their hard work and solidarity over the year, and the support provided by the National Staff and Regional Director, Aina Kagis.

I would also like to extend, in particular, my thanks to CUPE Saskatchewan Division staff for their exceptional work: Brother Nathan Markwart, our Executive Assistant, and Sister Jodi Reavley.

Most importantly, I wish to thank the membership of our great union. Without your support, we are without our power.

Enclosed is my complete report.

Submitted in solidarity,



TOM GRAHAM
President, CUPE Saskatchewan

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SECTOR ISSUES

BOARDS AND AGENCIES

The price of privatization was felt first hand by members of CUPE Local 3736 who work at North Sask Laundry in Prince Albert. A victim of the Provincial Government's controversial decision to privatize all health care laundry in the province and hand it over to a for-profit, Alberta-based corporation, the North Sask Laundry facility learned it is slated for permanent closure within the next two years. Approximately 100 laundry workers at the Prince Albert facility and more than 400 workers province-wide stand to lose their jobs. The announcement of slated public laundry facility closures also included Moose Jaw, Weyburn and Yorkton.

The Mayor of Prince Albert, Greg Dionne, and a number of City Councillors stood with CUPE members in expressing their disappointment with the Provincial Government's decision which will have a negative impact on Prince Albert families and the local economy.

Comprised of CUPE locals delivering services in a variety of areas, the Boards and Agencies Sector includes the Legal Aid Commission, Human Rights Commission, the SPCA, community clinics, and North Sask Laundry in Prince Albert.

COMMUNITY BASED ORGANIZATIONS (CBO)

Many group home workers saw an increase to their wages in 2013 with a Provincial Government funding injection of \$17.4 million aimed at bringing wages of these frontline workers up to a more livable income. While a welcome boost, group home workers continue to be significantly undervalued for the work they do caring for the most vulnerable and are among the lowest paid. Child care workers, unfortunately, did not witness a similar increase in provincial funding.

The Community Based Organizations sector consists of CUPE-represented group homes and child care facilities.

EDUCATION (K-12)

Cuts to education support workers in a number of classifications including Education Assistants and Library Assistants persisted in school divisions across the province in 2013.

The Provincial Government unveiled their plan to turn to P3 privatization instead of using traditional public financing to build nine new joint public/catholic schools. Already proven to

be more costly and give corporations far too much control, P3 schools pose a threat to the jobs of CUPE members particularly in the area of maintenance services.

At school board annual meetings, the Saskatoon Public School Board passed a motion calling on the province to show transparency and accountability with its plan for P3 privatization schemes. Similar motions seeking answers on a series of questions about P3 schools from the Provincial Government were passed by voters of the Regina Public School Board and the Regina Separate School Board. CUPE members and community activists were key in helping to pass these motions.

Furthermore, the Provincial Government, through the Ministry of Education, has begun to implement the "LEAN" model into the school system – a similar process already responsible for significant privatization in the province's public health care system.

HEALTH CARE

Frustrated and protracted bargaining was experienced throughout the year for our over 13,000 health care members with the employer insisting on concessions. Since the implementation of the rights-restricting *Public Service Essential Services Act* which tilts the balance of bargaining in favour of the employer, collective bargaining has become predictably one-sided leaving members little choice but to take a necessary strike vote in an attempt to force the employer to return to the bargaining table with the aim to settle a fair collective agreement. CUPE health care members responded with a strong strike mandate for their negotiating committee.

Alongside the difficulties at the bargaining table, health care workers experienced the worst of privatization when it was announced that all health care laundry in the province will be handed over to a for-profit, Alberta-based corporation and over 400 jobs will be eliminated over the next two years. The 3sHealth shared services scheme, used to justify the privatization announcement, is now conducting a further review of health care services. Moreover, minor surgeries and diagnostic services continued to be outsourced to private firms despite an arbitrator's ruling that privatized surgeries in Regina failed to show any significant savings.

LIBRARIES

CUPE Local 2669 members who work at the Saskatoon Public Library finally achieved a new contract this year

reached with the help of a mediator after protracted negotiations. The 250 library workers had been without a collective agreement since March 31, 2010. The newly ratified agreement, covering the period from April 1, 2010 to March 31, 2013, has since expired.

CUPE represents workers in eight regional library systems across Saskatchewan: Regina, Saskatoon, Lakeland, Palliser, Parkland, Southeast, Wapiti, and John M. Cuelenaere.

LOCAL 600 (VALLEY VIEW CENTRE)

Incomplete and inadequate information continued to surround the impending closure of Valley View Centre in Moose Jaw - home to nearly 200 residents with intellectual disabilities who require intensive care and support. Approximately 500 staff, members of CUPE Local 600-3, employed at the centre face job loss.

In addition to the looming closure of Valley View, the Provincial Government announced its intention to shut down the attached laundry facility as part of its wholesale privatization of health care laundry.

MUNICIPALITIES

CUPE municipal workers faced challenges to their defined benefit pension plans by their employers and right-leaning groups. Saskatoon municipal workers were able to defend their pension plan at the bargaining table.

Privatization of critical municipal infrastructure came to the forefront last year when Regina's city council moved to build a new wastewater treatment plant using a P3 privatization scheme. With tremendous effort, a citizen's coalition supported by CUPE, Regina Water Watch, launched an active campaign to keep Regina's water system public, collecting over 24,000 signatures in a period of just three months demanding Regina's City Council hold a referendum on the issue. Although successfully achieving a referendum that was held on September 25, 2013, the referendum was ultimately lost. While some on the right argue that this indicates a shift in the minds of citizens to more private service delivery, it was in fact forced on us by the Federal Government's funding model that only provides infrastructure dollars when P3 privatization is used for capital projects.

Saskatoon also had a P3 forced on it by the Federal Government. Both the new transit garage and winter snow dumps will be constructed and operated as P3s.

UNIVERSITIES

Nearly 250 frontline workers suffered layoffs at the University of Saskatchewan, members of CUPE Local 1975, and further cuts are anticipated in the coming year. While CUPE members lose their jobs, the former university president is reported to have collected a million-dollar compensation package, tuition continues to climb for students and taxpayer-funded billboards ironically boast about the Provincial Government's investment in post-secondary education.

LABOUR LEGISLATION

THE SASKATCHEWAN EMPLOYMENT ACT (BILL 85)

In May of 2013, the Saskatchewan Party majority passed Bill 85, *The Saskatchewan Employment Act*. The Act represents a regressive overhaul and consolidation of Saskatchewan's labour laws – replacing 12 previously separate workplace-related laws and, in doing so, takes away protections and rights at work.

Joining thousands across Saskatchewan, CUPE members took a stand against the Provincial Government's move to weaken protections and rights at work through Bill 85. CUPE Saskatchewan launched two postcard campaigns, prepared two comprehensive government submissions, held regional meetings, and lobbied through its seat on the Minister's Advisory Committee. We also worked in solidarity with other unions and the Saskatchewan Federation of Labour in a concerted effort to mitigate the harmful impacts of The Bill.

These efforts proved to create sufficient public pressure and swayed the government to pass 30 house amendments to the original Bill prior to its passage in the Legislature.

Regulations are currently being drafted by the Provincial Government, and we will likely see *The Saskatchewan Employment Act* take effect in sections – with Employment Standards (formerly Labour Standards) and Labour Relations (formerly *The Trade Union Act*) being the first parts implemented likely sometime in Spring 2014.

The most harmful changes made by The Act (once they are enacted) include:

- **Exclusions from union membership** – New “confidential” exemptions of who is defined legally as an “employee” effectively bans workers from their right to belong to a union, and they lose the protections and rights their union provides. Presently, individuals who act as managers or who

deal with confidential issues surrounding labour relations are excluded from joining the union. This has been broadened by The Act and, consequently, we may see some of our members prevented from belonging to the union.

- **Fragmented bargaining units** – Supervisors can be removed from established union local bargaining units (and their wages, benefits and rights established in their union contract may or may not follow them). Under The Act, supervisors will be prevented from being members of the bargaining unit of those they supervise unless there is agreement from the employer to keep them in their current bargaining unit. There is a view this may only apply to new certifications, however, this remains unclear. If supervisors are excluded from the bargaining unit, it would mean they would need to organize a new local in order to have representation. This change could affect a significant number of members.
- **Obstacles to effective job action** – Requirements for taking job action will change significantly under The Act. Presently, after acquiring a strike mandate, a local can begin job action by giving the employer 48 hours' notice. Under the new legislation, a mediation process must be engaged in and there will be a requirement for a 14 day "cooling off" period before job action can occur.
- **Weakened bargaining positions with automatic Last Offer Vote** – Presently, if a local has been engaged in job action for at least 30 days, the employer can force the local to vote on the employer's last offer. Under the new rules, at any time after bargaining has commenced, the employer or a minority of members (100 members or 45%, whichever is less) can force a "last offer vote" on the employer's offer. This action is limited to one time; however, it seems it could be used to undermine the bargaining process.
- **Longer open period** – Currently the open period, where notice to bargain is given and raiding is permitted, is a one month time frame between 60 and 30 days before the expiration of the collective agreement. Under The Act, this time period will be between 120 and 60 days before the expiration of the agreement. We understand that a union will be allowed to raid another union during either union's open period. While raiding has not been an issue in Saskatchewan, it is one more example of legislation

weakening our rights. Furthermore, The Act allows for carving out parts of a local to another union.

- **New rules for dues remittance** – Under The Act, direct remittance of dues to the National Union will not be allowed. Presently, over 35 locals take advantage of this service. It is unclear why this change has been made as it will only increase workload on smaller locals.
- **Requirements for financial statements** - Locals will be required to make available annual financial statements to all members. This requirement obligates locals to make significant efforts to have the documents available to all members whether they attend a union meeting or not. The broad regulatory power under this Section in The Act threatens to undermine the independence of unions.

In addition to the above mentioned concerning changes, there are two items notably absent from the legislation which encourage employer intimidation on a worker's right to join a union and compromise fairness.

There remains no time limit around when the actual vote will occur once a union certification application is submitted to the Labour Relations Board. This has resulted in lengthy time periods, as much as two years, between when the application for union certification is made and when the actual vote to join a union occurs. Other jurisdictions limit the time when a vote must occur to two weeks or less. Coupled with the lack of clear time frame to conduct a vote is the lack of restrictions and clear rules around employer communications to safeguard a free and fair vote to join a union.

BILL 128

(AN ACT TO AMEND THE SASKATCHEWAN EMPLOYMENT ACT AND REPEAL THE PUBLIC SERVICE ESSENTIAL SERVICES ACT)

On the heels of the Court of Queen's Bench decision that declared *The Public Service Essential Services Act (ESA)* unconstitutional and the Saskatchewan Court of Appeal decision to have it heard by the Supreme Court of Canada, the Provincial Government has introduced Bill 128 to amend the ESA.

Bill 128 would establish new "Essential Services" legislation that will limit the number of union members who can engage in strike action during a contract dispute with a "public employer" defined in legislation, and significantly changes the

existing legislation, for the most part, in a positive manner that is more respectful of the collective bargaining process. Nevertheless, Bill 128 still restricts the right to strike.

Among the changes, Bill 128 would provide unions the ability to challenge all aspects of an employer's designation of essential employees losing the right to strike. In the event that designations are at a level (yet undefined) that would prevent meaningful job action, there will be an ability to conclude a collective agreement through binding arbitration.

Bill 128 is not expected to be brought into force until after the Supreme Court of Canada has ruled on *The Public Service Essential Services Act*, which could be as late as the fall or even into 2015.

TOM GRAHAM
President, CUPE Saskatchewan

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