



## President's Report

### TOM GRAHAM

Greetings delegates,

**A**s we gather at convention, we reflect on the past year that has brought us no shortage of challenges to our members and our union.

We celebrated our hard-fought victory in the courts over the rights-restricting Public Services Essential Services Act (PSESA), yet the law remains in effect as the government refuses to drop its desire to take away union members' rights essential to fair negotiation. Now, we face further unprecedented attacks from the Harper Government with Bill C-377 and the Wall Government with Bill 85.

*To defend against these legislative attacks will not be easy, quick or without tremendous effort and commitment. Nevertheless, our future as a union and as union members is worth defending.*

The past year has also been one of hard work and activity for CUPE.

We welcomed new members to CUPE who work in the K-12 education system in Blaine Lake, Leask, Green Leaf Colony and Martensville. We were a leader in marking the 50th anniversary of Medicare in Saskatchewan, and worked with coalitions to have July declared by cities and towns as Medicare Month in absence of government initiative on this historic milestone. We highlighted the importance of union membership in making an economy built to last. Progressive city councillors and school board trustees were re-elected or took office for the first time following province-wide municipal elections with CUPE member support. CUPE campaigns raised the profile of our union and our members. Further, many presentations, articles, and reports pointed out the risks of privatization, the folly of public-private partnerships (P3s), and the negative consequences of trade deals like the

Canada-European Union Comprehensive Economic and Trade Agreement (CETA) negotiated by governments behind closed doors.

*Together, as members of Saskatchewan's community union, CUPE members will face this challenging year ahead resolving to do what we do best – make fairness a reality and care for the communities where we live and work.*

I wish to thank the Sisters and Brothers of the CUPE Saskatchewan Executive Board for their active solidarity in their leadership positions with CUPE Saskatchewan Division.

I would like to acknowledge the work of our CUPE staff employed by our national union and their assistance in the many activities of the CUPE Saskatchewan Division.

Thank you as well to Sister Alicia Baniulis and Brother Nathan Markwart, staff of CUPE Saskatchewan, for their commitment and hard work.

Most importantly, thank you to all CUPE members for your activism and support for your union. The strength of CUPE rests with our members.

The following is my complete report.

Submitted in solidarity,

TOM GRAHAM  
President, CUPE Saskatchewan

/nm cope 342

## Health Care

For many years our largest sector has struggled with a difficult employer. While most employers in other sectors bargained fairly with respective locals with the view of completing agreements, the health sector faces an employer who would rather use the rights-restricting provisions of The Public Services Essential Services Act (PSESA) to frustrate bargaining and, at the same time, demand unreasonable concessions and offer limited bargaining dates. When the legal victory in February 2012 of the Court of Queen's Bench declaring the PSESA unconstitutional was delivered, there was some optimism that good faith would be restored to the bargaining process. However, as current bargaining proceeds, this optimism seems fleeting. Moreover, the Court of Appeal has extended that expiry deadline of the PSESA until they render their decision on the government's appeal.

*The Wall Government continues to pursue misguided privatization in our health care system. Outright privatization through the contracting-out of surgeries to for-profit clinics has been the primary method of privatization for the government thus far. Now, health care privatization is occurring under the guise of 3sHealth and the use of P3s.*

The new government-funded, arms-length office known as "Shared Services Saskatchewan" or "3sHealth", has a CEO and staff complement working to implement a "LEAN Management Model" that applies principles of car factory production to the care of our family members. While the results of the full implementation of this so-called "LEAN" approach to health care remains unclear, it has been used to justify the costly decision to send Saskatoon Health Region's laundry to a for-profit company in Alberta rather than keeping our laundry cleaning in Saskatchewan at less cost. Consequently, public funds will now boost the profits of an Alberta company at the expense of Saskatchewan families and 29 jobs have been lost – members of CUPE Local 3736.

P3s are also a growing source of health care privatization. The self-described government "pilot project" for P3 privatization in health care, known to many as the Amicus deal in Saskatoon, opened its doors this year as Samaritan Place. In a report commissioned by CUPE, University of Manitoba economist John Loxley calculated the costs of the Saskatchewan government's funding arrangement with Amicus Health Care Inc. to be \$10 million to \$20 million more than if it had been built using traditional public sector financing. Now, the government is musing to expand costly P3 experiments in health care to the newly announced Regina

day surgery centre and Saskatchewan Hospital in North Battleford.

## Education

CUPE education workers, through the Education Workers' Steering Committee (EWSC), took an active role in democracy leading up to the province-wide October 2012 municipal/school board elections by engaging CUPE membership in a campaign to "Hire your own boss". The EWSC endorsed several progressive candidates including four CUPE members.

*CUPE members volunteered for candidates in their community delivering leaflets and talking with their neighbours, family and friends about issues of concern including: Educational Assistant reductions and inadequate provincial education funding.*

Three endorsed candidates were elected and, for many CUPE member volunteers, this was their first time becoming actively involved in determining who their "boss" will be on their respective school boards.

I would like to commend the EWSC for their leadership and efforts during the election and, in particular, the countless hours dedicated to the effort by the EWSC chair, Sister Jackie Christianson.

## Municipal

Vital community infrastructure and services in Saskatchewan are in danger of privatization with the use of risky P3 schemes – proven to be more costly and give for-profit corporations far too much control over the public services we depend on every day.

*Privatization also has a direct impact on CUPE members resulting in either job loss, fewer positions overall, or a risk of losing contract benefits if direct services are privatized.*

Municipal leaders are under increased pressure to rush head-first into P3 schemes as a way to access federal infrastructure funding that the Harper Government, in its ideological push for privatization, has made a requirement to receive federal funds. Furthermore, trade deals like the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), which is currently being negotiated by the Federal Government behind closed doors, will tie the hands of local

decision makers, increase costs to municipalities, and expose municipalities to costly litigation by granting unparalleled rights to the world's largest multi-national corporations.

In 2012, Regina's City Council amended their procurement policy to specifically require P3 consideration for each and every procurement decision. The new stadium will most likely end up being a P3, and Regina's new wastewater treatment plant will be a 30-year P3.

The City of Saskatoon announced that the relocation of the transit garages and the city yards will be accomplished using a P3 funding model that includes maintenance and some operations. There is also discussion that the new bridge project could be a P3.

## Libraries

Members of Local 2669 at the Saskatoon Public Library have been without a collective agreement for three years as their employer, the Saskatoon Public Library Board, demands wage and benefit concessions from a group that are already among the lowest paid civic employees – many of which earn minimum wage.

*By contrast, the concession-demanding Saskatoon Public Library Board has granted an average pay increase of 50 per cent from 2007 – 2011 for out-of-scope managers with most managers making over \$90,000 per year.*

Local 2669 members have gained a strike vote, but have been focusing on strike aversion and an information campaign to try and get the Saskatoon Library Board to step-up and negotiate a fair contract. It's long overdue.

The dispute in Saskatoon comes on the heels of similar difficulties at the Regina and Parkland public libraries where stingy employers demanding concessions dragged out bargaining, which resulted in job action by Local 1594 at the Regina Public Library before settling. More than a coincidence, all three of the employers hired an outside consultant, known for demanding concessions, to lead the bargaining at the negotiating tables.

## Community Based Organizations

Initiative has been taken this past year to reinvigorate the CUPE CBO Steering Committee. The committee has struggled to maintain a functioning executive for a period of time due in large part to the work shifts of committee members and/or difficulty is getting union leave to attend

meetings. Committee discussions have moved to the increased use of conference calls and electronic communication while considerations for restructuring are underway to provide more flexibility for operations of the executive.

*Group home workers are receiving a much needed boost to their wages with the provincial government providing over \$17 million in additional funding for wages and benefits to frontline workers.*

Once the committee is fully functioning again, effort will be placed into lobbying for similar increases which are long overdue for day care and community aid members.

## Local 600-3: Valley View Centre

The provincial government announced last year that they intend to close Valley View Centre in Moose Jaw – home to approximately 198 people with intellectual disabilities who require intensive support and care.

*Since the time the closure announcement was made, residents and the CUPE members who provide their dedicated care are still left without adequate information about the closure.*

CUPE members who provide resident care are deeply concerned about the transition for residents and how their critical needs will be met. There is also little information about the future employment of the dedicated staff of Valley View – members of CUPE Local 600-3.

## Legislative changes

### **Bill 85: The Saskatchewan Employment Act**

On May 2, 2012, the Minister of Labour Relations announced plans to overhaul workplace rights and protections with the unexpected introduction of "A Consultation Paper on the Renewal of Labour Legislation in Saskatchewan". The paper put forward over 150 questions and provided unions and other organizations only 90 days to make submissions in response to the "Consultation Paper". The government's process did not permit further public input or the opportunity to compare responses by other organizations. Shortly thereafter in December 2012, *Bill 85, The Saskatchewan Employment Act*, was introduced into the Saskatchewan Legislature and a deadline of March 1, 2013 was provided to draw the government's attention to "unintended consequences".

*Bill 85 is expected to become law on or before May 16, 2013 at the close of the Spring Session of the Saskatchewan Legislature which runs March 4 – May 16, 2013.*

*Bill 85, The Saskatchewan Employment Act (SEA), combines 12 pieces of legislation into one document. Most notable are The Trade Union Act, The Labour Standards Act and The Occupational Health and Safety Act. While it is being presented as a modern and easy-to-read consolidation, it is in fact a radical re-write of existing laws that will mean sweeping changes for union and non-union workers in Saskatchewan.*

*Hundreds of hours of work by legal and research staff from CUPE and other unions have identified a number of serious concerns with the 186-page proposed law.*

The following is a short list of issues that will be the focus of CUPE lobbying in an effort to mitigate some of the worst effects of Bill 85:

- **Definition of an employee.** This has changed significantly from what is in *The Trade Union Act*. Under Bill 85, the exclusions have been expanded significantly and it is highly likely that a number of those who are union members today may find themselves excluded without their input or say - losing their contract benefits and other rights associated with union membership.
- **Supervisory bargaining units.** Under Bill 85, members with supervisory duties will be forced to form a separate bargaining unit that could be with their current union or different union. What this will mean is possibly twice as many bargaining units and higher costs associated with administration and bargaining.
- **Accountability.** Bill 85 obligates unions to provide members with audited financial statements and the results of votes. While we fully support accountability and are always ready to provide members with the information they want, having the statements audited will place an unnecessary and excessive financial burden on small CUPE locals possibly forcing them to raise dues to comply with government-mandated accounting rules.

*Non-unionized workers in Saskatchewan will see their already weak workplace rights weakened even further.*

There are real threats to the end of the eight hour day, the two

day weekend, and the ability to collect overtime pay to name just a few sweeping changes contained in Bill 85.

### ***Bill C-377: An Act to Amend The Income Tax Act***

Federally, the Harper Government has passed Bill C-377 which makes amendments to *The Income Tax Act* creating costly, onerous financial reporting requirements for unions. No other organization with dues-paying members such as the Chamber of Commerce, the Canadian Federation of Independent Business (CFIB) or professional groups like medical and legal associations will have to comply with these burdensome reporting requirements – only unions. The proposed Federal law passed the House of Commons with Conservative Party support on December 12, 2012 and must now pass through the Senate to become law.

*Under Bill C-377, unions must file 25 separate, very detailed financial statements with the Canada Revenue Agency—the most onerous financial reporting requirements by any organization in Canada.*

Moreover, government will have the power to add on to the burdensome reporting requirements by demanding further statements through regulation made behind closed-door without approval from Parliament.

The reporting requirements of Bill C-377 are so far reaching they clearly target constitutional rights to freedom of expression and association especially given the requirements to estimate time spent on political activities, lobbying activities and organizing activities.

*Bill C-377 is not, as Conservatives claim, about accountability.*

Rather, it is an attack on democracy and an attack meant to silence unions that dare to oppose the Conservative Party of Canada.

*We encourage all members to contact Saskatchewan senators and tell them to defeat Bill C-377.*

By TOM GRAHAM  
/nm cope 342