



# Members Ratify Urban and Rural Collective Agreements

CUPW members in both the urban and rural bargaining units have ratified their respective collective agreements. Both agreements were achieved only after lengthy negotiations. In the case of the urban unit, the settlement was negotiated as part of the final offer selection process established pursuant to the back-to-work legislation imposed by the Harper government. The rural agreement was reached as part of a negotiated settlement without government intervention, but the possibility of back-to-work legislation was a factor in the union’s decision to recommend acceptance.

Both agreements contain significant changes. The rural agreement provides for RSMC members to receive some important new

benefits such as the Extended Health Care Plan (EHCP) and an Extended Disability Insurance Plan. CUPW will be taking care to ensure that all members become fully aware of their entitlements under these plans so that they can maximize the benefits for themselves and their families. For the urban unit, there are a number of changes, including the replacement of the traditional sick leave provisions by a short term disability plan (STDP). The union has produced a booklet on the STDP to ensure that all members can maximize their rights under the plan.

The full results of the ratification vote on a local basis have been reproduced on pages 7 and 8.

Regions	URBAN OPERATIONS			RSMC		
	Yes	No	% Yes	Yes	No	% Yes
Atlantic	224	934	19	87	321	21
Québec	1236	217	85.1	699	19	97.4
Metro-Montreal	1000	498	66.8	76	6	92.7
Central	864	413	67.7	381	165	69.8
Metro-Toronto	348	1100	24	42	75	35.9
Ontario	1170	933	55.6	324	270	54.5
Prairie	1072	497	68.3	327	101	76.4
Pacific	1240	816	60.3	266	99	72.9
TOTAL	7,154	5,408	56.9	2,202	1,056	67.6

## Public Post Offices Face Worst Assault in Decades

**In the 1980s and 1990s, the federal Conservatives closed about 1,500 offices. It appears that large-scale closures are once again on the Conservative party agenda.**

The federal government has approved a Canada Post plan to close an unspecified number of public post offices in urban areas. Since January 2012, postal managers have shut down about 20 offices and may be closing another 10 by the end of April.

On top of this, the corporation recently announced it will be reviewing every post office across the country to see if outlets can be reconfigured along the lines of “a new smaller retail model.”

Canada Post tested this model in Chatham, Ontario in November 2012.

It made changes to the post office very quickly and renovated it over one weekend. The result was not good. The office:

- Lost 1.5 retail positions.
- Has customers complaining about longer waiting times.
- Is expected to bring in less revenue.
- Only has one retail point-of-sale unit.
- Is poorly designed: There is a window wicket for customer service, with all products behind the clerk.

Without a doubt, the union is facing the biggest assault on post offices that it has seen in decades.

CUPW is determined to fight this attack on our public postal network, and the accompanying erosion of service and destruction of day jobs. The union:

- Has sent locals a “Post Office at Risk” kit to help members fight closures and additional materials to assist them in fending off the downsizing of outlets.

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Image: An effective Modern Post needs more than new machines and vehicles. It needs a new vision of the future that includes innovative services for the public and respect for those delivering the service.



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# Fighting for our Future

**Sisters/Brothers:**

**On December 21, 2012, CUPW and Canada Post signed new collective agreements for both the urban operations and RSMC units. Members who took part in ratification votes held in November and December 2012 voted in favour of both collective agreements. Needless to say, the past two years have been difficult for the Union, in all areas of activity. The global financial and economic crisis has impacted the postal sector, and we are facing the challenges of declining mail volumes, particularly lettermail. The Harper government's anti-democratic and anti-union legislation has changed the fundamentals of collective bargaining. We now have to ensure both these collective agreements are enforced, and we have to do so in unity and solidarity.**

We will also need to share the work that awaits us over the next few months, including fighting to maintain universal, public postal service and stepping up the political fight to have our democratic rights respected in this country.

## **Maintaining a Universal and Public Postal Service – Protecting Jobs**

The crisis affecting postal service here and elsewhere around the world is forcing us to further clarify the steps required to preserve jobs at Canada Post. Until recently, our jobs were guaranteed by the exclusive privilege over lettermail. We thought there would always be letters to sort and deliver. This is no longer true. We now know that the future of the postal service rests with providing competitive services, including parcel delivery and direct competition with private multinationals, such as FedEx and UPS. The future lies in new services. To preserve current jobs and create new ones, we must do two things.

First, we must ensure that postal transformation puts real emphasis on customer service, which is not the case right now. Canada Post is using the Modern Post to attack our working conditions and cut services to the public. Instead, it should focus on its retail network, which requires a stronger and more effective presence throughout the country.

Second, we must concentrate our efforts on service expansion. This will require being very creative. Canada Post must turn to new services, such as financial and banking services. Unfortunately, it is refusing to do so. To preserve jobs, we must force Canada Post to enter every single area of mail distribution and flow of information. A review of the Canadian Postal Service Charter is scheduled for 2014. This will give us an opportunity to update our vision of the postal service. We are preparing for this public debate.

## **The Fight for Democratic Rights – Regaining Our Right to Free Collective Bargaining**

The Harper government's back-to-work legislation played an important part in the last round of negotiations. We cannot and must not forget this legislation. That is why we have filed a constitutional challenge to protect our right to negotiate and strike. This challenge must continue. It is crucial for us and the entire labour movement.

However, much more needs to be done, because the Harper government is attacking the democratic rights of every citizen in the country. If we are to have a fair and just society, we must do everything we can to get rid of the Conservatives in the October 2015 election. We are not alone in this struggle. People are increasingly fed up. In recent months, we've seen many struggles, not only by the labour movement, but others such as in the Occupy movement, the fight against poverty, the Quebec students' movement, the fight against

employment insurance reform, the Idle No More movement, and the opposition to Bills C-38 and C-45. Coalitions are being created and a united front is building. People are coming together to create a society based on democracy. We are actively involved and must continue to be. In the next few years, we won't have any other choice but to carry our struggle into the political arena. This is another crucial thing we must do.

This outlines, in broad strokes, what awaits us in the months ahead. We went through tough times in recent months and our solidarity was severely tested. We know, however, that the struggle for democratic rights strengthens our Union's unity and solidarity, and we have an unwavering commitment to this struggle.

The struggle continues.

In Solidarity,

**Denis Lemelin**  
National President

## Strike 2011: Getting some perspective on volumes

**When CUPW began our rotating strikes on the evening of Thursday June 2, 2011 in Winnipeg, we said that our objective was to put pressure on management while maintaining postal service to the public.**

On the evening of Tuesday June 14, 2011, Canada Post management locked out CUPW members and shut down postal operations, trapping millions of pieces of mail in postal facilities. Throughout our rotating strikes, CPC consistently claimed that the union's actions reduced mail volumes by as much as 50%. By Wednesday June 8th, when CPC announced it was going to cut delivery to three days per week, CPC spokesperson Jon Hamilton claimed "our volumes have dropped off a cliff since the union started their rotating strike activity" and estimated that volumes had dropped from 40 million daily items to 20 million.

This estimate of a 50% drop in volumes due to the rotating strikes was constantly repeated by CPC spokespeople and in official communiqués issued by CPC. The union consistently stated that we believed that volumes continued to be strong during the rotating strikes and that CPC's lockout and shutdown actions were what hurt the postal service.

Recent figures from Canada Post reveal that CUPW was correct. CPC now reports that volumes during the rotating strikes in the first two weeks of June were only down by 20% while volumes during the next two weeks (the lock-out period) fell by 90%.

**It is time CPC management was held accountable for its failed strategy and the damage it has inflicted on postal workers, the public and our postal service.**

### CUPW PERSPECTIVE

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### LETTERS POLICY

CUPW Perspective welcomes letters to the editor. We will print any letters from a CUPW member provided it:

- is 400 words or less. Union members may submit longer items for consideration as commentary pieces;
- does not violate CUPW policy opposing discrimination and harassment against women, people of colour, First Nations, Inuit, and Métis people, lesbians, gays, bisexual and transgender

individuals, people with different abilities, and/or CUPW policies and principles;

- is typed or written neatly; and
- includes the author's name, address, local and a phone number where they can be reached if there are problems.

Perspective will withhold the author's name if necessary. Otherwise, the author's name and local will appear.

Perspective will contact authors if there are problems with their letters.

We accept letters by mail, fax and electronic mail.



# Modern Post Hurts

The only conclusion that can be drawn from the analysis of absence statistics and accident reports in Winnipeg, the first city to go completely Modern Post, is that Modern Post injures letter carriers.

Using Canada Post’s own bar chart data from Winnipeg’s South-West Letter Carrier Installation, CUPW examined absence rates due to Injury-on-Duty and the rate of Modified Duties at letter carrier depots Charleswood, C, J and M. These were the first four depots to face Canada Post’s two-bundle Postal Transformation system.

Looking at the time lost to Injury On Duty (IOD) or on Modified Duties, we compared the rate for the year before Modern Post (Postal Transformation) was introduced to the rate for the year after Modern Post was brought in. What we found dismayed us.

Letter Carriers working under Modern Post were forced off their route due to Injury-on-Duty or onto Modified Duties at a rate almost five times greater than before Modern Post was introduced.

## Letter Carriers Feel the Pain

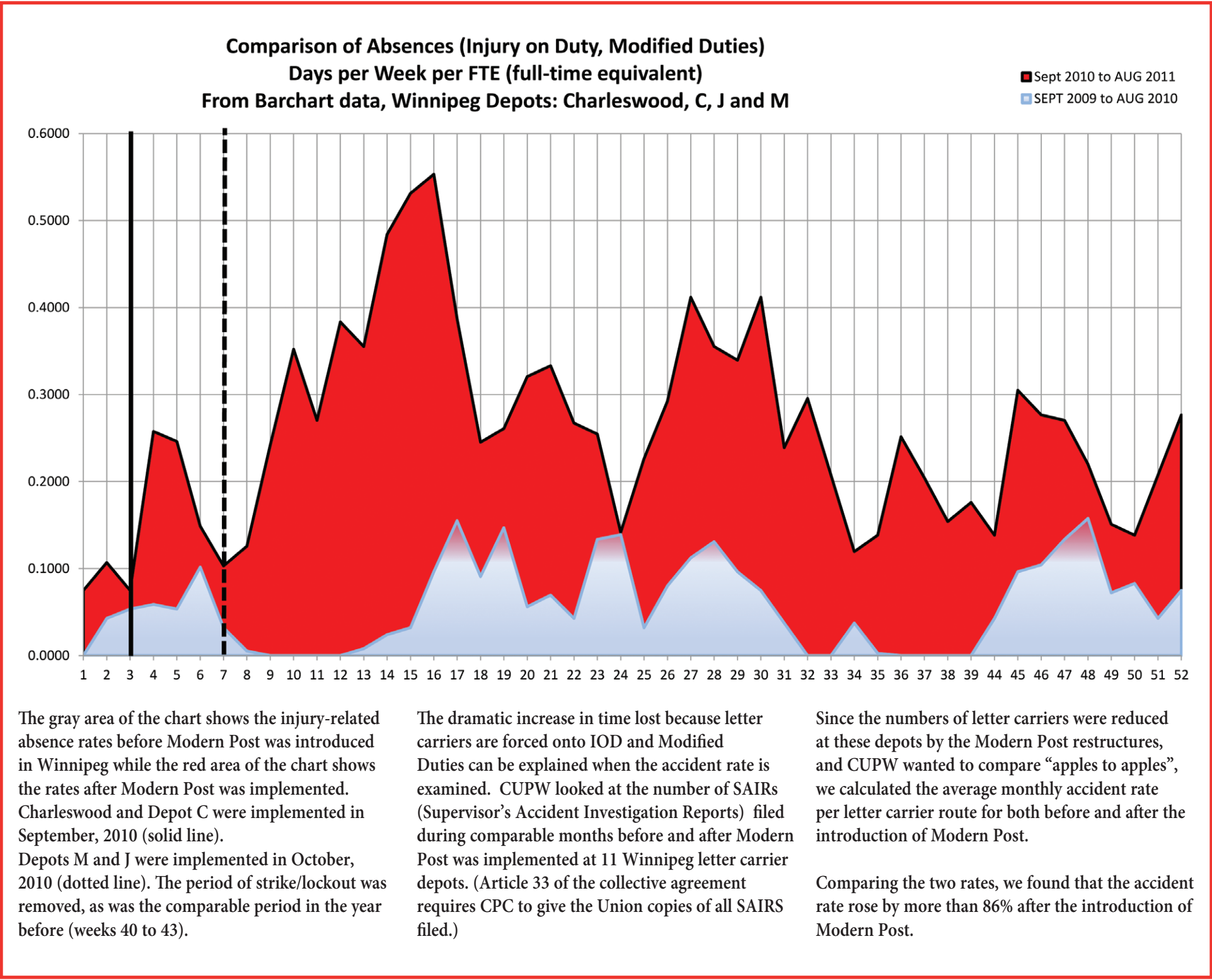
The harsh facts we discovered about Winnipeg’s Modern Post experience confirm what CUPW learned last winter when we interviewed more than 200 letter carriers at thirteen letter carrier depots working under Modern Post outside of Winnipeg. Using a structured interview process (asking the same questions, in the same order, to everyone), CUPW talked with as many letter carriers as possible before they left

to start delivery. We were able to interview more than 35% of the carriers in these depots.

Here’s what we found out:

- The letter carriers we talked with tried to deliver using Canada Post’s 2-bundle method, but almost half of them have stopped using it. When temporary and relief carriers are filtered from the sample, the 2-bundle system was abandoned by almost 2/3rds of the letter carriers.
- This was confirmed by our observations during the visits. In many instances, letter carriers sorted sequenced mail to their cases while answering our questions. Senior letter carriers were less likely to “look over their shoulder” checking for the supervisor when they discussed sorting their sequenced mail into the case. Younger letter carriers (temporary and RLC) appeared more fearful.
- Most letter carriers who have abandoned the 2-bundle method use a “work-around” to enable them to deliver with only one bundle in their arms/hands. Letter carriers said they sorted sequenced mail into their case, or combined sequenced mail with manual mail to create a single bundle while pulling their letters.
- More than 80% of the letter carriers who stopped using the 2-bundle method gave as their reasons:
  - having to deal with the mail in awkward, uncomfortable and/or clenched positions;
  - having pain, tingling, cramps and/or numbness; or
  - having safety concerns, including having to focus on not dropping the mail off the arm rather than paying attention to where you’re walking.

continues page 4



- Women report being in pain as a result of delivering mail at a greater frequency than men. Having shorter forearms was given as a reason for the pain by a number of women, as was having to hold the arm and bundle away from the body to read the addresses over their chest.
- In all age segments except for the most junior, letter carriers who used the 2-bundle method reported pain more frequently than those who did not use the 2-bundle method.
- A greater rate of pain in the shoulder, arm, elbow, wrist and hand was reported by letter carriers following the 2-bundle method than those not following the method. The arm and elbow were reported as sites of pain twice as often by those following the 2-bundle method than those not following it.
- More than 80% of the letter carriers we talked to reported more pain since Postal Transformation started in their Depot. When asked about the reasons for this increase in pain, letter carriers, in addition to naming general concerns with the 2-bundle method, identified the following as the main reasons:
  - the constant, awkward position of the mail-carrying arm and wrist
  - arm always bent,
  - wrist “cocked” to keep mail on the arm,
  - arm held rigid to the body, to stop mail from falling,
  - arm held out, elevated,
  - the longer routes, fatigue,
  - more walking,
  - more stairs,
  - too much overtime,
  - holding, carrying more weight,
  - larger, heavier bundles,
  - problems with householders.

## CUPW Asks Arbitrators to Stop the Pain

CUPW has two national grievances underway, seeking to stop the harm caused by Canada Post’s new Postal Transformation delivery method. One is National Policy Grievance N00-07-00032, now before Arbitrator Burkett. The other is an Interest Arbitration, under Article 29 of the Collective Agreement, before Arbitrator Keller. Under Article 29, Keller has the power to deal with “injustices and adverse effects on employees” resulting from the introduction of Postal Transformation.

National Policy Grievance N00-07-00032, filed by the Union on September 7, 2010, states that the Postal Transformation two-bundle delivery system is dangerous and is a violation of both the collective agreement and the health and safety provisions of the Canada Labour Code. It declares that Canada Post was violating Article 47 by refusing to provide proper information to the Union and by violating the Letter Carrier Route Measurement System.

As part of N00-07-00032, CUPW asked for an immediate cease and desist order, seeking to stop the introduction of the first Postal Transformation restructures in Winnipeg. Arbitrator Dulude denied the Union’s request for the cease and desist, because at that time, before the method was really in use, the Union could not provide sufficient evidence of “seriously harmful situations for letter carriers.” However, N00-07-00032 was referred, on a priority basis, to Arbitrator Burkett, for a

hearing on its merits. Since then, a number of hearings have occurred. We expect to have the case wrapped up by May.

Burkett has agreed to CUPW’s request that he first hear the evidence and rule on the urgent health and safety issues before moving onto the Article 47 restructuring questions.

Evidence presented by CUPW so far includes:

- letter carriers from Montreal and Winnipeg who testified on the problems, injuries and pain resulting from the two-bundle system,
- an ergonomist, hired by CUPW, who conducted two studies of the two-bundle method and presented her reports on the problems she found,
- an orthopedic surgeon’s testimony on the problems he observed while watching letter carriers deliver with the two-bundle method,
- the bar chart data and charts mentioned earlier, and
- a summary of the answers of the 200-plus letter carriers interviewed by CUPW. While Burkett ruled this report as inadmissible “hearsay evidence,” he did read it.

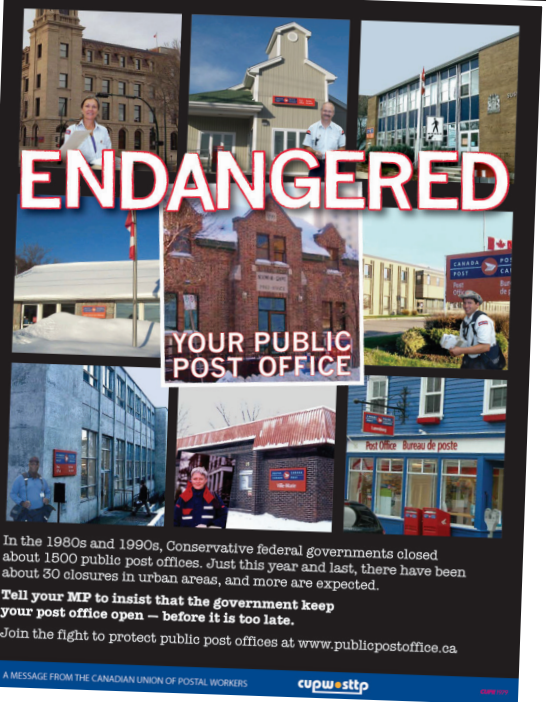
The second arbitration comes under the technological change protections of the collective agreement. Using Article 29, CUPW has asked Arbitrator Keller to eliminate all injustices and/or adverse effects of the Modern Post technological change. The adverse effects include those on Group 1, Group 2 and Group 3. Keller has finished hearing the Group 1 and 3 Modern Post issues, and is now concentrating on the Group 2 issues, including the 2-bundle delivery system, problems handling householders, sharing cases, and the two waves. Dates are scheduled through to December 2013.



## Depots visited between January 5th and 17th, 2012

CUPW would like to thank the members from the following depots who took the time to talk with us, answer our questions and to explain in detail the problems with Canada Post’s new delivery methods.

- Halifax Depots 1 and 2
- Regina Depot 3
- Toronto Mississauga Clarkson and Mississauga Port Credit
- Toronto West Mall Etobicoke D, N and U
- Montreal Depot Ouest 1 and Ouest 2
- Montreal Monterey 1 and 2
- Ste. Therese



Public Post Offices Face Worst Attack In Decades continued from page 1

- Has a ‘Keep Public Post Offices Open’ webpage to keep members up-to-date and provide them with ways to take action.
- Will ensure contract provisions protecting 493 post offices are enforced.
- Is working with members of Parliament to fight closures and downsizing.
- Believes that the postal network is one of Canada Post’s biggest assets and that the Corporation should be expanding services at outlets. The union is currently investigating options for postal banking and financial services.

You can help fight closures and cuts by signing a letter to your MP and asking community groups and other organizations to pass a resolution.

Ask your local for this material, or go to [www.publicpostoffice.ca](http://www.publicpostoffice.ca)



# Organizing Everywhere We Go

Organizing serves two purposes in our struggle. For one thing, it is a response when Canada Post contracts out work -- we bring it back in and show them that they can't undermine us. At the same time, it's part of our role in the labour movement to work on the unionization of workers in our sector.

## Courier and delivery workers

We're making progress throughout the postal and delivery sectors. With the latest certification in Victoria, we have six units of Dynamex couriers in western Canada and Ontario. Dynamex couriers are doing collection, sorting, and delivery work just as other postal workers, and have many of the same issues.

We've had some success with Dynamex: We've been able to ratify contracts for four of our Dynamex bargaining units: Ottawa, Saskatoon, Victoria, and Red River. Negotiations are continuing for the Kelowna unit. Transport and delivery giant, Transforce, bought Dynamex in 2010. There's a clear difference between negotiating with Dynamex pre-TransForce.

It's the fourth collective agreement we've negotiated for Dynamex drivers in Winnipeg, where "because of CUPW, couriers have more cash in their pockets, and have a guaranteed minimum wage and rates committee," says National Union Representative for external organizing Jan Simpson.

The certification of Quick Messenger Service (QMS) same-day couriers in Toronto was a tough battle. Our result is a provincial certification gained after a vote by the workers on May 24, 2012. Despite meetings in



Adecco (Customs Postal Import Program) workers in Toronto became members of CUPW in July 2012.

the fall of 2012, we have been unable to negotiate a collective agreement with Quick Messenger Service (QMS). As a result, CUPW submitted a request to the Ontario Labour Relations Board for first contract arbitration. We have our first hearings in March 2013 to deal with the remaining demands.

## Contracted-out Canada Post workers

We're still fighting Shoppers Drug Mart in court for the right to represent postal retail counter workers in their private retail outlets. "We're up against a team of lawyers, one for each Shoppers location," reports Simpson, "but our case is solid. These are postal workers and we want to give them the representation they deserve."

The contracting out of Combined Urban Services (CUS) doesn't change the fact that CUS drivers are working in the postal service. In January 2013, the labour board ruled against us in a single employer application for several CUS locations. This means the union must negotiate directly with the CUS

contractor. Negotiations have been difficult for CUS drivers in Burlington. The parties are in conciliation. Meanwhile, CUS drivers in Fredericton have signed a collective agreement.

The union will begin negotiations for our Adecco national bargaining unit in 2013. Members of the Adecco bargaining unit in Montreal, Toronto and Vancouver are selecting a representative for their negotiating committee and voting on their demands. Adecco is a temp agency that staffs the Customs Postal Import Program -- producing parcel manifests in mail processing plants in Toronto, Montreal and Vancouver. Many of the Adecco-supplied workers (pictured) are immigrant workers and women, and there is much we can do to improve their working conditions.

CUPW will continue to organize in order to improve the rights and working conditions of workers in our sector.

# Solidarity with Palestinian Postal Workers

**CUPW has a solidarity project with postal workers in Palestine in cooperation with the Paltel Union. Postal workers in Palestine face all of the difficulties of life under occupation, while simultaneously struggling against an employer who continues to attack the rights of workers. Our sisters and brothers in the Paltel Union have persevered in organizing and fighting back under some of the most difficult conditions.**

The Paltel Union is working to educate their membership and train their activists in some key skills for union members. The project is facilitating basic shop steward training and collective bargaining training, among other skills. From June 20-21 of last year, 10 activists from the Paltel union participated in a two day course covering all the basics of trade unionism. Courses were also held in Nablus and Hebron with about a dozen activists participating in each.

While CUPW is committed to building solidarity with postal workers around the world, the work in Palestine is of particular significance. Our union is committed to opposing the Israeli occupation of Palestine and is working to end the occupation. Since our convention voted to support the Boycott, Divestment Sanction campaign, CUPW has worked to promote this campaign within the labour movement. We have demanded that our pension be divested from companies that support the Israeli occupation and have ensured our purchasing practices reflect the aims of this campaign.

We worked to support "World Social Forum - Free Palestine" which took place in Porto Alegre, Brazil from November 29th to December 3rd, 2012. This was a thematic forum about Palestine that followed the same format as any World Social Forum. Thousands of activists from around the world descended on Porto Alegre to participate in this forum. "World Social Forum - Free Palestine" was endorsed by over 50 organizations from 5 continents. The meeting was held in Brazil to highlight the country's weapons trade with Israel: Brazil supplies weapons to the Israeli Defence Forces that are routinely used against Palestinians in the occupied territories.

From September 8-22nd, 2012 two postal workers from Palestine toured Canadian cities, along with two postal workers from Morocco. The tour stopped in Woodstock, Port Elgin, Toronto, Moncton, Montreal and Ottawa. They participated in a CUPW educational in Port Elgin. The tour consisted of workplace visits and public meetings and our guests also participated in two regional presidents' meetings. They had the opportunity to meet with rank and file postal workers, share their struggles and learn from ours.

International solidarity is a two-way street. Our union is not only committed to supporting the struggles of postal workers in other countries, but also learning from these struggles and applying the lessons to our own reality. The postal sector is international and therefore our struggle is international.

The struggle continues.



Postal Workers from Nablus.



# Parents of Special Needs Children: You Have Your Union’s Support

The Special Needs project is open to all members who have children up to nineteen who have special needs or disabilities. It helps reduce the emotional, financial and physical stresses on working parents of children with disabilities. We currently have 330 members with 410 children on our Special Needs project. Thirty-five of these members are RSMCs.

Parents who are part  
of the project receive:

- Support from Special Needs Advisors who are familiar with provincial and community resources, and services for children with special needs.
- Financial support for expenses directly related to their child’s disability. The funding can be used for such things as respite, childcare, transportation and uninsured health expenses.
- Information and resources, including a newsletter, Member-to-Member Connection. The newsletter contains resource listings, articles and letters from parents, as well as offers and requests for specific help.
- Opportunities to connect with other parents through Member-to-Member Connection and the website.
- Support from the project office through a toll-free number.

Our Moving On project offers similar supports, including teleconferences for members. However, Moving On supports members who have adult sons and daughters over 19 years with disabilities who are dependent on their parents for care. We have 93 members, including 8 RSMCs. One member has two children with disabilities.

Both projects advocate for better government funding, policies and family supports. Helping workers balance their work and family lives should be as much of a priority for employers and governments as it is for unions. Support for working families must be a collective responsibility.

## These are national projects open to all postal workers who have children with special needs.

Check out these unique projects through the new website:  
<http://specialneedsproject.ca/>  
or call 1-800-840-5465 for more information. The projects are funded by Canada Post through our childcare fund and coordinated by Family Place Resource Centre in Baddeck, Nova Scotia.



Our daughter Sarah was diagnosed at one year old with a rare genetic disorder. So rare, she’s the only one in any database with the disorder. This means the doctors couldn’t tell us if she would be able to walk or talk or anything about her future. One year later, with a lot of hard work, she is walking and communicating (she’s very close to talking!). We are optimistic about her future now and would like to thank this program for the small (but significant) part it’s had in our lives. We’ve been able to give her an alternative therapy called the ‘Anat Baniel Method’ which has dramatically improved her balance, co-ordination and cognitive skills in a very short period of time. Thank you ‘Special Needs Project’! And many thanks to our local post office for their amazing support!

Jennifer Stewart, PO4  
Harrison Hot Springs, B.C.

## Building Solidarity Through Alternative Conflict Resolution

At the 2011 National Convention, members approved radical changes to Article 8 of our National Constitution. The old process was a drain on our limited resources and collective goodwill. It seldom resolved conflicts but instead led to more blaming and punishing. It also undermined our capacity to act in solidarity to protect workers’ interests.

The fundamental amendments to Article 8 include:

- Renaming Article 8 “Conflict Resolution and Discipline”
- Providing access to internal forms of resolution for members in conflict
- Establishing conflict committees at national, regional and local levels
- Making training on solidarity skills mandatory for leadership at all three levels, and providing it to conflict committees

The political and structural support received at the 2011 convention was groundbreaking. CUPW, widely known as the union that has been a leader in the militant struggle against injustice, has chosen to lead once again—this time in principled peace building that will serve to strengthen its members’ solidarity both generally, and for the struggles to come.

Our union benefitted from the knowledge and commitment of experienced union educators in building this course: Sister France Laurendeau of the Quebec Federation of Labour, Brother D’Arcy Martin, Brother Kai Lai of the United Steelworkers and Brother Guy Lafontaine, CUPW. They have a passion for this subject and CUPW owes a debt of gratitude for their time and the generosity of their organizations in freeing them to work with us.

Conflict is inevitable but our reaction to it is not. With the Fall Regional President’s meetings, CUPW launched our Internal Solidarity Campaign and asked regional and local leadership to participate in this important project to develop a “union-made” approach to keeping our differences in our union family healthy and focused on building solidarity.



RATIFICATION OF COLLECTIVE AGREEMENT

Urban Postal Operations

NATIONAL RESULTS

Regions	Yes	No	Spoiled	Total
Atlantic	225	949	2	1,176
Québec	1239	217	5	1,461
Metro-Montreal	1000	498	5	1,503
Central	863	413	4	1,280
Metro-Toronto	348	1050	4	1,402
Ontario	1171	931	4	2,106
Prairie	1072	496	9	1,577
Pacific	1241	816	7	2,064
TOTAL	7,159	5370	40	12,569
Percentage	57.14%	42.86%		

ATLANTIC

Locals	Yes	No	Spoiled	Total
Annapolis Valley	1	15		16
Antigonish	3	7	0	10
Acadie-Bathurst	5	11	0	16
Breton	16	33	0	49
Bridgewater	10	9	0	19
Campbellton	5	15	0	20
Carbonear	0	5	0	5
Channel-Port-Aux-Basques	0	2	0	2
Charlottetown	19	23	0	42
Corner Brook	1	29	0	30
Cumberland	0	20	0	20
Deer Lake	2	4	0	6
Edmundston	16	4	0	20
Exploits Valley	3	13	0	16
Fredericton-Oromocto	12	35	0	47
Fundy	26	97	0	123
Gander-Lewisporte	0	7	0	7
Goose Bay	0	9	0	9
Labrador City/Wabush	0	12	0	12
Liverpool	0	2	0	2
Miramichi	4	21	0	25
Moncton	25	126	2	153
New Glasgow	2	21	0	23
Nova	45	275	0	320
Pictou	0	8	0	8
Port Hawkesbury	0	2	0	2
St. Anthony	0	3	0	3
St. John's	7	87	0	94
St. Stephen	0	8	0	8
Stephenville	1	17	0	18
Summerside	12	4	0	16
Truro	10	9	0	19
Woodstock	0	6	0	6
Yarmouth	0	10	0	10
TOTAL	225	949	2	1176

QUÉBEC

Locals	Yes	No	Spoiled	Total
Baie Comeau	19	0	0	19
Bois Francs	29	5	0	34
Chibougamau	14	0	0	14
Côte Nord	24	0	0	24
Drummondville	27	12	0	39
Farnham	10	1	0	11
Gaspé	3	0	0	3
Granby	51	2	0	53
Haut-du-Lac	32	0	1	33
Hautes-Laurentides	23	1	0	24
Joliette	29	10	1	40
La Mauricie	91	19	0	110
La Sarre	4	1	0	5
Matane	14	2	0	16
Mont-Joli	25	2	0	27
Outaouais-Québécois	72	8	0	80
Québec	268	24	1	293
Rimouski	29	0	0	29
Rivière-du-Loup	24	2	0	26
Rouyn-Noranda	24	6	1	31
Saguenay-Lac St-Jean	86	14	0	100
Sherbrooke	72	54	0	126
Sorel	21	1	0	22
Ste-Thérèse de Blainville	32	39	0	71
St-Hyacinthe	34	0	0	34
St-Jean	30	4	0	34
St-Jérôme	49	3	1	53
Thetford Mines	20	0	0	20
Val D'Or	37	0	0	37
Valleyfield	18	5	0	23
Vaudreuil-Dorion	28	2	0	30
TOTAL	1239	217	5	1461

MONTREAL

Locals	Yes	No	Spoiled	Total
Montréal	1000	498	5	1503
TOTAL	1000	498	5	1503

CENTRAL

Locals	Yes	No	Spoiled	Total
Alexandria-Hawkesbury	11	0	0	11
Arnprior-Renfrew	10	9	0	19
Barrie	35	6	0	41
Belleville	42	6	0	48
Brockville-Prescott	17	3	0	20
Chapleau	3	0	0	3
Cobourg	14	6	0	20
Cochrane	5	0	0	5
Collingwood	11	1	0	12
Cornwall	21	9	0	30
Dryden	11	0	0	11
Elliott Lake-Blind River	9	0	0	9
Fort Frances	12	3	0	15
Gananoque	8	1	0	9
Hearst	4	0	0	4
Kapuskasing	10	0	0	10
Kenora	10	0	0	10
Kingston	41	1	0	42
Kirkland Lake	6	0	0	6
Lindsay	13	4	0	17
Midland	16	2	0	18
Napanee	11	2	0	13
Newmarket	45	19	0	64
Muskoka	6	1	0	7
North Bay	35	10	1	46
Orillia	23	4	0	27
Ottawa	156	218	2	376
Parry Sound	12	3	0	15
Petawawa-Deep River	7	2	0	9
Pembroke	14	7	0	21
Peterborough	43	13	0	56
Sault Ste. Marie	19	28	0	47
Sioux Lookout	4	0	0	4
Sudbury	33	45	1	79
Thunder Bay	85	6	0	91
Timmins	31	4	0	35
Tri-Town	30	0	0	30
TOTAL	863	413	4	1280

METRO TORONTO

Locals	Yes	No	Spoiled	Total
Toronto	348	1050	4	1402
TOTAL	348	1050	4	1402

ONTARIO

Locals	Yes	No	Spoiled	Total
Amherstburg	37	10	0	47
Brantford	32	8	0	40
Chatham	42	1	0	43
Clinton	6	0	0	6
Delhi	6	0	0	6
Fort Erie	15	2	0	17
Georgetown-Acton	18	10	0	28
Guelph	26	28	0	54
Hamilton	82	277	0	359
Kitchener-Waterloo	128	61	0	189
London	135	99	1	235
Milton	25	7	0	32
Niagara Falls	26	9	1	36
Orangeville	12	1	0	13
Oshawa	65	34	1	100
Owen Sound	31	3	0	34
Port Hope	10	0	0	10
Sarnia	55	4	0	59
Scarborough	98	304	1	403
Simcoe	8	1	0	9
St. Catharines	54	18	0	72
St. Thomas	23	3	0	26
Stratford	24	2	0	26
Strathroy	16	1	0	17
Tillsonburg	11	0	0	11
Welland	30	11	0	41
Windsor	130	32	0	162
Wingham	12	2	0	14
Woodstock	14	3	0	17
TOTAL	1171	931	4	2106

PRAIRIE

Locals	Yes	No	Spoiled	Total
Banff	6	0	0	6
Battleford	11	1	0	12
Brandon	26	7	0	33
Calgary	252	72	1	325
Canora	4	0	0	4
Dauphin-Swan River	10	3	0	13
Drayton Valley	6	0	0	6
Edmonton	249	120	4	373
Estevan	9	0	0	9
Flin Flon	5	5	0	10
Fort McMurray	3	14	0	17
Grande Prairie	30	15	1	46
Hay River	2	0	0	2
Hinton-Jasper	11	1	0	12
Inuvik	1	0	0	1
Lethbridge	33	13	0	46
Lloydminster	15	2	0	17
Medicine Hat	19	29	1	49
Melville	7	0	0	7
Moose Jaw	14	2	0	16
Neepawa	4	0	0	4
Ponoka	3	0	0	3
Portage La Prairie	10	1	0	11
Prince Albert	10	22	0	32
Red Deer	48	3	1	52
Regina	53	14	1	68
Saskatoon	58	34	0	92
Swift Current	11	1	0	12
The Pas	9	0	0	9
Thompson	8	2	0	10
Weyburn	6	0	0	6
Winnipeg	119	132	0	251
Yellowknife	4	2	0	6
Yorkton	16	1	0	17
Total	1072	496	9	1577

PACIFIC

Locals	Yes	No	Spoiled	Total
Campbell River	15	5	0	20
Castlegar	0	17	0	17
Courtenay	21	3	0	24
Cranbrook	12	10	0	22
Creston	5	0	0	5
Dawson Creek	13	1	0	14
Elk Valley	2	8	1	11
Fort Nelson	7	0	0	7
Fort St. John	6	0	0	6
Fraser Valley West	220	22	0	242
Golden	5	2	0	7
Grand Forks	6	0	0	6
Kamloops	28	28	0	56
Kelowna	47	14	2	63
Kimberley	10	1	0	11
Kitimat	7	7	0	14
Nanaimo	19	49	0	68
Nelson	2	15	0	17
Penticton	18	0	0	18
Port Alberni	16	2	0	18
Powell River	17	7	0	24
Prince George	38	31	0	69
Prince Rupert	4	4	0	8
Quesnel	14	1	0	15
Revelstoke	2	5	0	7
Royal City	85	61	0	146
Salmon Arm	6	0	0	6
Smithers	4	3	0	7
Squamish	4	1	0	5
Terrace	3	9	1	13
Trail	15	0	0	15
Upper Valley	16	12	0	28
Vancouver	435	437	2	874
Vernon	32	6	0	38
Victoria	79	38	0	117
Whitehorse	12	14	1	27
Williams Lake	16	3	0	19
Total	1241	816	7	2064

RATIFICATION OF COLLECTIVE AGREEMENT

RSMC

NATIONAL RESULTS

Regions	Yes	No	Spoiled	Total
Atlantic	88	320	3	411
Québec	697	19	1	717
Metro-Montreal	77	6	0	83
Central	381	165	0	546
Metro-Toronto	42	75	0	117
Ontario	323	271	1	595
Prairie	327	101	0	428
Pacific	271	100	1	372
TOTAL	2,206	1057	6	3,269
Percentage	67.61%	32.39%		

ATLANTIC

Locals	Yes	No	Spoiled	Total
Annapolis Valley	3	15	0	18
Antigonish	0	11	0	11
Acadie-Bathurst	3	19	0	22
Breton	2	10	0	12
Bridgewater	9	7	0	16
Campbellton	2	1	0	3
Carbonear	0	5	0	5
Channel-Port-Aux-Basques	0	2	0	2
Charlottetown	6	17	1	24
Corner Brook	1	0	0	1
Cumberland	2	6	0	8
Deer Lake	1	1	0	2
Edmundston	7	6	0	13
Exploits Valley	2	3	0	5
Fredericton-Oromocto	4	17	0	21
Fundy	5	22	2	29
Gander-Lewisporte	0	3	0	3
Liverpool	5	3	0	8
Miramichi	4	13	0	17
Moncton	6	34	0	40
New Glasgow	2	5	0	7
Nova	5	34	0	39
Pictou	2	0	0	2
Port Hawkesbury	2	9	0	11
St. Anthony	1	0	0	1
St. John's	4	13	0	17
St. Stephen	0	5	0	5
Stephenville	0	4	0	4
Summerside	2	16	0	18
Truro	2	13	0	15
Woodstock	1	19	0	20
Yarmouth	5	7	0	12
TOTAL	88	320	3	411

QUÉBEC

Locals	Yes	No	Spoiled	Total
Baie Comeau	5	0	0	5
Bois Francs	13	1	0	14
Côte Nord	3	0	0	3
Drummondville	15	1	0	16
Farnham	8	1	0	9
Gaspé	23	0	0	23
Granby	31	0	0	31
Haut-du-Lac	14	3	0	17
Hautes Laurentides	31	0	0	31
Iles de la Madeleine	5	0	0	5
Joliette	42	0	0	42
La Mauricie	28	0	0	28
La Sarre	8	0	0	8
Matane	12	0	0	12
Mont-Joli	6	0	0	6
Outaouais-Québécois	34	0	1	35
Québec	116	3	0	119
Rimouski	11	0	0	11
Rivière-du-Loup	22	1	0	23
Rouyn-Noranda	13	1	0	14
Saguenay/Lac St-Jean	31	2	0	33
Sherbrooke	43	2	0	45
Sorel	16	0	0	16
Ste-Thérèse de Blainville	28	0	0	28
St-Hyacinthe	18	0	0	18
St-Jean	22	0	0	22
St-Jérôme	35	0	0	35
Thetford Mines	19	0	0	19
Val D'Or	15	0	0	15
Valleyfield	17	0	0	17
Vaudreuil-Dorion	13	4	0	17
TOTAL	697	19	1	717

METRO MONTREAL

Locals	Yes	No	Spoiled	Total
Montréal	77	6	0	83
TOTAL	77	6	0	83

CENTRAL

Locals	Yes	No	Spoiled	Total
Alexandria-Hawkesbury	10	0	0	10
Arnprior-Renfrew	5	5	0	10
Barrie	29	9	0	38
Belleville	24	4	0	28
Brockville-Prescott	8	6	0	14
Cobourg	8	4	0	12
Cochrane	1	0	0	1
Collingwood	13	8	0	21
Cornwall	9	3	0	12
Dryden	4	0	0	4
Elliott Lake-Blind River	3	0	0	3
Fort Frances	1	0	0	1
Gananoque	3	0	0	3
Hearst	1	0	0	1
Kapuskasing	1	0	0	1
Kenora	4	0	0	4
Kingston	15	0	0	15
Kirkland Lake	0	0	0	0
Lindsay	18	8	0	26
Midland	12	2	0	14
Napanee	10	0	0	10
Newmarket	22	24	0	46
Muskoka	23	0	0	23
North Bay	22	4	0	26
Orillia	18	0	0	18
Ottawa	13	47	0	60
Parry Sound	9	0	0	9
Petawawa-Deep River	2	0	0	2
Pembroke	13	0	0	13
Peterborough	15	2	0	17
Sault Ste. Marie	14	0	0	14
Sioux Lookout	2	0	0	2
Sudbury	9	25	0	34
Thunder Bay	16	3	0	19
Timmins	3	0	0	3
Tri-Town	21	11	0	32
TOTAL	381	165	0	546

METRO TORONTO

Locals	Yes	No	Spoiled	Total
Toronto	42	75	0	117
TOTAL	42	75	0	117

ONTARIO

Locals	Yes	No	Spoiled	Total
Amherstburg	15	9	0	24
Brantford	17	1	0	18
Chatham	15	2	0	17
Clinton	11	0	0	11
Delhi	2	0	0	2
Fort Erie	2	4	0	6
Georgetown-Acton	7	6	0	13
Guelph	8	18	0	26
Hamilton	22	52	0	74
Kitchener-Waterloo	30	1	0	31
London	21	11	0	32
Milton	5	8	0	13
Niagara Falls	4	0	0	4
Orangeville	8	4	0	12
Oshawa	12	34	0	46
Owen Sound	31	1	0	32
Port Hope	3	0	0	3
Sarnia	5	1	0	6
Scarborough	3	72	0	75
Simcoe	11	7	0	18
St. Catharines	10	3	0	13
St. Thomas	4	12	0	16
Stratford	12	0	0	12
Strathroy	4	5	0	9
Tillsonburg	11	4	0	15
Welland	13	2	0	15
Windsor	11	5	0	16
Wingham	17	4	1	22
Woodstock	9	5	0	14
TOTAL	323	271	1	595

PRAIRIE

Locals	Yes	No	Spoiled	Total
Banff	10	0	0	10
Battleford	1	0	0	1
Brandon	3	3	0	6
Calgary	63	41	0	104
Canora	1	0	0	1
Dauphin-Swan River	7	0	0	7
Drayton Valley	8	0	0	8
Edmonton	110	5	0	115
Estevan	1	0	0	1
Fort McMurray	0	2	0	2
Grande Prairie	19	2	0	21
Hay River	3	0	0	3
Hinton-Jasper	7	1	0	8
Lethbridge	13	0	0	13
Lloydminster	0	1	0	1
Medicine Hat	11	2	0	13
Melville	0	0	0	0
Moose Jaw	1	0	0	1
Neepawa	1	0	0	1
Ponoka	9	0	0	9
Portage La Prairie	2	0	0	2
Prince Albert	6	1	0	7
Red Deer	17	4	0	21
Regina	9	0	0	9
Saskatoon	6	14	0	20
Swift Current	0	0	0	0
The Pas	0	1	0	1
Weyburn				0
Winnipeg	14	22	0	36
Yellowknife	4	2	0	6
Yorkton	1	0	0	1
Total	327	101	0	428

PACIFIC

Locals	Yes	No	Spoiled	Total
Campbell River	3	0	0	3
Castlegar	2	0	0	2
Courtenay	5	1	0	6
Cranbrook	3	1	0	4
Creston	3	0	0	3
Dawson Creek	2	0	0	2
Elk Valley	5	0	0	5
Fort Nelson				0
Fort St. John				0
Fraser Valley West	64	6	0	70
Golden	4	0	0	4
Grand Forks	3	0	0	3
Kamloops	9	1	0	10
Kelowna	17	11	0	28
Kimberley	2	0	0	2
Kitimat				0
Nanaimo	17	7	0	24
Nelson	9	0	0	9
Penticton	2	1	0	3
Port Alberni	3	0	0	3
Powell River	4	0	0	4
Prince George	2	10	1	13
Prince Rupert				0
Quesnel	6	0	0	6
Revelstoke	2	0	0	2
Royal City	13	33	0	46
Salmon Arm	11	1	0	12
Smithers	5	0	0	5
Squamish	11	0	0	11
Sunshine Coast	7	5	0	12
Terrace	3	0	0	3
Trail	2	0	0	2
Upper Valley	11	9	0	20
Vernon	15	0	0	15
Victoria	17	6	0	23
Whitehorse	0	8	0	8
Williams Lake	9	0	0	9
Total	271	100	1	372



1. INTRODUCTION

The National Board of Trustees met from February 13 to 22, 2012 at the National Office of the Union in Ottawa for the first verification of this term.

As provided in the National Constitution under sections 4.96 to 4.99, we have completed an examination of the financial transactions of the Union for the period of January 1 to June 30, 2011.

The work of the National Board of Trustees consisted of examining the national treasury books, vouchers pertaining to expenditures, expense accounts for National and Regional Officers and Union Representatives as well as all other documents deemed useful and necessary for a sound administration of the union funds.

2. COMPOSITION OF THE NATIONAL BOARD OF TRUSTEES

The National Board of Trustees is composed of the following members:

Central Region	Sister Bev Collins	Chairperson
Pacific Region	Brother Anthony Holzer	Secretary
Atlantic Region	Brother Kevin Peterson	Member
Quebec Region	Sister Josée Lambert	Member
Metro-Montreal Region	Brother Roland Savard	Member
Metro-Toronto Region	Sister Adele Chaplain	Member
Ontario Region	Sister Donna Hardy	Member
Prairie Region	Sister Arla Mephram	Member

At our first meeting held on February 13, 2012, the National Board of Trustees elected Sister Bev Collins, Central Region, and Brother Anthony Holzer, Pacific Region, Chairperson and Secretary of the Board respectively.

Sisters Josée Lambert and Bev Collins were unable to attend the first verification. They were replaced by the 1<sup>st</sup> Alternate Trustees, Brother Jean Marcon from the Québec Region and Sister Mary Aitken from the Central Region.

Brother Anthony Holzer, Secretary of the National Board of Trustees, assumed the role of Chairperson for this verification while Sister Mary Aitken, 1<sup>st</sup> Alternate Trustee from the Central Region, was elected Secretary in the interim.

3. ANNUAL VERIFICATIONS

The National Board of Trustees met for the first time since the 2011 Triennial Convention which made changes to our National Constitution, including Article 4.

With the Triennial National Convention being held in October 2011, the Trustees were unable to comply with section 4.95 of the National Constitution.

4. RESOLUTIONS AND RECORDS OF PROCEEDINGS

The National Board of Trustees verified all resolutions and records of proceedings of the National Executive Board meetings for the period of January 1 to June 30, 2011, for the purpose of verifying financial resolutions, as per section 4.99 of the National Constitution.

During this verification, all resolutions contained sufficient information to allow the National Board of Trustees to properly verify that expenses were constitutional.

5. LOCAL FINANCIAL REPORTS

The National Board of Trustees reviewed the Annual Financial Statements received from the Locals covering the period of July 1, 2010 to June 30, 2011.

Financial Statement forms covering the period of review were sent to the Locals in accordance with section 9.29 of the National Constitution. The obligation of submitting an Annual Financial Statement by each Local to the National Secretary-Treasurer is contained within section 9.28 of the National Constitution.

	Number of locals in region	Reports not received 2010-11	Locals under Trusteeship	Non-payment to Labour Council <sup>(1)</sup>
Atlantic	35	9	0	16
Québec	31	7	0	15
Montréal	2	1	0	0
Central	37	7	0	8
Toronto	1	1	0	0
Ontario	30	5	0	6
Prairie	35	15	1	9
Pacific	38	11	0	12
TOTAL	209	56	1	66

<sup>(1)</sup> Non-payment to Labour Council does not include those Locals that have not filed a 2010-2011 Annual Financial Statement, thus there is no way to determine if such payment was made. It also does not include Locals in areas with no Labour Council.

- 5.1 There were 56 Locals that did not submit their July 1, 2010 to June 30, 2011 annual financial statements, an increase of 21 from the 2009-2010 reporting period.
- 5.2 There were 66 Locals that did not submit the per capita dues payment to Labour Councils. This represents a decrease of 21 from the 2009-2010 reporting period. This is a requirement under section 9.41 of the National Constitution.
- 5.3 A few Locals are not submitting their Annual Financial Statement on the proper form, as sent to Locals by the National Secretary-Treasurer. Some Locals are not completing all information lines on the statement and some statements do not balance from year to year.
- 5.4 Some Locals have more funds other than the General Fund. We found that some Locals report all fund accounts, while others do not.

Therefore the National Board of Trustees recommends:

- 5.1 That the National Secretary-Treasurer, in conjunction with the National Directors of each region, contact each Local in writing as a reminder to meet their obligations under section 9.28 of the National Constitution.  
  
Each Local receives in June of each year a notice from the National Secretary-Treasurer advising of their obligations under section 9.28 of the National Constitution. A follow-up notice will be sent in September to those Locals who have not met the 60-day deadline.
- 5.2 That the National Secretary-Treasurer, in conjunction with the National Directors of each region, contact each Local in writing as a reminder to meet their obligations under section 9.41 of the National Constitution.  
  
The June notice mentioned above will include specific reference to Local obligations under section 9.41 of the National Constitution.
- 5.3 That the National Secretary-Treasurer, in conjunction with the National Director of each region, continue to contact applicable Locals in writing, reminding them to submit the Annual Financial Statement using the proper statement form, even if using the services of an auditor. The June bank statement and list of capital values should also be included.  
  
Included in the June notice will be a request that the Annual Financial Statement form provided with the notice be utilized. A copy of the June 30<sup>th</sup> bank statement will also be requested. This is not a constitutional requirement though the Region that instituted this practice has experienced a high level of compliance and has found the practice to be useful in monitoring the finances of those Locals.  
  
That the National Secretary-Treasurer continue to send guidelines with each blank Annual Financial Statement form to assist the local secretary-treasurers in fulfilling their duties.  
  
As is our practice, the guidelines for completing the Annual Financial Statement will be included with the notice and the form.

6. EXPENSES FOR REGIONAL ACTIVITIES

The National Board of Trustees examined the expense accounts with respect to union activities for which the National Directors have received an advance.

- 6.1 All regions have submitted their expense reports required under section 5.11 of the National Constitution. We noted all regions are continuing to submit their reports in a timely fashion.  
  
We, the National Board of Trustees, appreciate the work done by the regions in submitting their activity reports in a timely fashion, and encourage them to continue this practice.
- 6.2 During this verification, we noted two regions had not returned surplus funds relating to all of their regional activities, as required in section 5.11 of the National Constitution.
- 6.3 An accounting anomaly was noted during this verification whereby a deposit was paid for an activity, in advance. However, the deposit was reimbursed at a higher dollar amount. Although all accounts balanced, this procedure makes for a difficult accounting of the activity.

Therefore, the National Board of Trustees recommends:

- 6.2 That the National Secretary-Treasurer take all necessary steps to recover all surplus funds from the applicable regions.  
  
The surplus funds noted by the Trustees have been returned to the National Office.
- 6.3 That this practice cease, thus allowing for a clear paper trail and proper accounting for these types of expenses, as outlined in section 4.82 of the National Constitution.  
  
As noted by the Trustees, the particular event was an anomaly and under normal practice should not recur. The National Executive Board agrees that our accounting practices should provide a clear and transparent paper trail.

7. EXPENSES FOR REGIONAL OFFICES

The National Board of Trustees reviewed the files containing bank statements, reconciliation reports, forms and receipts for the expenses of regional offices for the period of January 1 to June 30, 2011.

7.1 The Metro-Toronto, Prairie and Pacific Regional Offices’ expenses are paid by National Office. The other five regions have submitted their monthly expense reports.

7.2 All regions submitted bank reconciliation reports for the General Fund as well as reconciliation reports for the Activity Account.

We, the National Board of Trustees, appreciate the work done by National Directors and encourage them to continue to submit copies of bank reconciliation reports, for all Union accounts, in accordance with a prior decision made by the National Executive Board in June 2000.

8. INVENTORY LISTS FOR NATIONAL AND REGIONAL OFFICES

In order for the National Secretary-Treasurer to do a proper accounting of the assets of the Union, as per section 4.54 of the National Constitution, it would require an inventory list from National Office as well as all eight Regional Offices. These lists should include all items purchased by union funds such as filing cabinets, office furniture, etc, essentially all items excluding office supplies.

The National Board of Trustees feels that a completed inventory is essential for National and Regional offices as it would allow the Union to keep better track of the Union’s assets as well as provide documentary information for insurance purposes, if required.

To date, a complete inventory of National Office and all eight Regional Offices has been received, compiled and administered by National Office. We have observed and reviewed the lists and are satisfied by the efforts of the groups involved. From this point forward, we will monitor the inventory lists of the National Office and all eight Regional Offices on a yearly basis to ensure they are maintained and kept up to date.

9. REVIEW OF STATEMENT OF EXPENSES

The National Board of Trustees examined the individual statement of expense forms for the period of January 1 to June 30, 2011 for each of the National and Regional Officers, Union Representatives and Alternate Union Representatives.

9.1 It is essential that all officers and representatives submit their monthly expense reports in a detailed and timely fashion. This ensures an accurate coding of all leave types for these individuals. During this verification, individual monthly expense reports from some individuals were combined over several months, seeming more like quarterly reports than the necessary monthly report.

9.2 Travel authorization has improved but there continues to be problems in this area. Travel and vehicle authorization by some officers are not dated, are not signed or are put in after the travel has occurred and, in some cases, is not used at all.

9.3 That the National Secretary-Treasurer remind officers and Union Representatives to provide the necessary authorization forms and of their responsibilities to comply with sections 7.42, 7.44, 7.53, 7.54 and 7.56 of the National Constitution.

9.4 Private cell phone plans are still an area of concern as it was noted during this verification that the National cell phone plan offers significant savings as compared to members’ private plans.

9.5 Vehicle rental expenses has been and continues to be an area of concern for the National Board of Trustees. This issue has been raised with the National Secretary-Treasurer and the National Executive Board during previous verifications.

Although this issue has been raised in the past, it is noted as having increased in several regions during this verification. One region had rental costs exceeding \$60,000 for the six month period ending June 30, 2011, for an average monthly rental expense of \$10,222.23. Another exceeded \$30,000 for rentals.

*Therefore, the National Board of Trustees recommends:*

9.1 That the National Secretary-Treasurer ensure that all officers and Union Representatives submit monthly, detailed expense reports.

*The National Secretary-Treasurer will continue to follow up with those individuals who are delinquent in filing reports in a timely manner.*

9.2 That the National Secretary-Treasurer design and implement a transportation log book for all methods of travel for all national and regional officers, Union Representatives and Alternate Union Representatives and that a copy be attached to each monthly expense statement.

*This recommendation of the National Board of Trustees appears to create an additional report that covers information already provided through other forms. The National Secretary-Treasurer will consult with staff and National Executive Board members on the design of a travel log that could possibly replace the current authorization forms included with expense reports.*

9.3 That the National Secretary-Treasurer remind officers and Union Representatives to provide the necessary authorization forms and also of their responsibilities to comply with sections 7.42, 7.44, 7.53, 7.54 and 7.56 of the National Constitution.

*Instruction has been provided to all officers and Union Representatives on the proper procedures to comply with sections 7.42, 7.44, 7.53, 7.54 and 7.56 of the National Constitution. There is a process to follow up with those not complying.*

9.4 That the National Secretary-Treasurer cancel the remaining private cell phone plans and install the national plan with the remaining individuals.

*The Union has entered into a new national wireless communication agreement. A few individuals have chosen to remain on their private plans but are reimbursed only up to the monthly cost of the national plan.*

9.5 That the National Executive Committee and the National Secretary-Treasurer insist on signed pre-authorizations for travel, including vehicle rentals, as laid out in sections 7.42, 7.44, 7.53, 7.54 and 7.56 of the National Constitution.

*The travel authorization procedure adopted by the National Executive Board contemplates pre-authorization for all travel and there is an expectation the process will be followed. Formal pre-authorization is not always possible but such instances should be the exception and not the rule.*

10. TERMINATION OF EMPLOYMENT AND MOVING

The National Board of Trustees reviewed the amounts paid to national and regional officers and union representatives who took or left office between January 1 and June 30, 2011.

Based on the information made available to us, the following amounts were paid out:

● Moving and relocation expenses (section 7.39) paid to three (3) members	\$	9,307.16
● Unused annual leave (81.09 days)	\$	20,011.70
● Section 7.41 (55 days)	\$	13,573.28
● Total:	\$	42,892.14

Among those who left their positions, one had accumulated 68.17 days of unused annual leave credits, for which \$16,503.46 had to be disbursed.

11. ATTENDANCE

The National Board of Trustees reviewed annual, pre-retirement and sick leave taken by National and Regional Officers and Union Representatives.

For the 2009-2010 fiscal year, approximately 2,005 days of annual leave were unused as of June 30, 2010.

For the first six months of 2011, approximately 657.5 days of annual leave were unused as of June 30, 2011.

This represents 37 % of annual leave credits being used.

We also noted that out of the 68 National and Regional Officers and Union Representatives covered by this verification, 16 had 12 weeks or more of annual leave credits carried forward while 13 had between 6 and 11 weeks carried forward.

12. INSURANCE

As provided for under section 4.99 (a) of the National Constitution, the National Board of Trustees verified that a national insurance policy was in place to cover reasonable risk of loss, as of June 30, 2011. The insurance policy contains dishonesty coverage up to \$50,000 per occurrence.

It was noted that the insurance policy is available only in English.

*Therefore, the National Board of Trustees recommends:*

That the National Secretary-Treasurer ensure that the insurance policy is available in both official languages.

*Our insurer has been requested to provide a copy of our policy in both official languages.*

13. UNION FUNDS

13.1 The National Board of Trustees reviewed the draft annual audited financial statements prepared by the accounting firm of Marcil Lavallée. These draft annual audited statements (2010-2011) provide data relating to the General Fund, Defence Fund and Reserve Fund.

As provided for in section 7.13 of the National Constitution, the following is a table providing the amount in each fund to June 30, 2011 in comparison with June 30, 2010:

	<u>June 30, 2011</u>		<u>June 30, 2010</u>
General Fund	\$ 0	\$	0
Defence Fund	\$ 15,318,968	\$	23,256,808
Reserve Fund	\$ 6,895,895	\$	7,940,092



13.2 As provided for in section 7.20 of the National Constitution, the monies normally deposited in the Defence Fund were deposited into the General Fund.

13.3 The National Board of Trustees found, for the verification period, that the 5% transfers to the Reserve Fund were made monthly as per section 7.17 of the National Constitution.

Two and one-half percent (2.5%) of the Reserve Fund is allocated to external organizing activities, as per section 7.17 of the National Constitution.

14. CUPW BUILDING SOCIETY

CUPW Building Society was incorporated under the *Business Corporations Act of Ontario*. The corporation was then continued under the *Business Corporations Act of Ontario* on June 16, 2009. The Company is the owner of three buildings, two condominium offices and five residential condominium apartments:

- CUPW National Office at 377-385 Bank Street in Ottawa, Ontario;
- CUPW Ontario Region at 344 Sovereign Road in London, Ontario;
- CUPW Pacific Region at 999 Camarvon Street in New Westminster, British Columbia;
- Five residential condominium apartments located at 1223 Wellington St. in Ottawa, Ontario;
- CUPW Quebec Region at 5000 des Gradins Boulevard, Suite 340, in Quebec City, Quebec;
- CUPW Metro-Montreal Region at 565 Cr  mazie East, room 4400 in Montreal, Quebec.

The entity changed the name of the corporation from “CUPW Holdings Limited” to “CUPW Building Society” on June 16, 2009.

The organization derives its income primarily from rental of the properties. Funding for purchase of the properties and share capital was obtained through investments of the Defence Fund and the General Fund, which are non-interest bearing and have no defined terms of repayment. Based on the draft audited financial statements as of June 30, 2011, the balance on these mortgages is \$1,983,334 and the net value of the assets of CUPW Building Society is \$9,730,382.

15. FINANCIAL REPORTS

15.1 The National Board of Trustees found that financial statements covering the period under review were not sent to the Locals in accordance with section 4.50 of the National Constitution.

15.2 The National Board of Trustees reviewed draft statements for the 2010-2011 fiscal year, as audited by the audit firm of Marcil Lavall  e and adopted by the National Executive Board at the meeting held from January 24 – 28, 2012. The balances of the various union funds have been reported in items 13.1 of this report.

15.3 The National Board of Trustees reviewed the budget sent to locals under section 7.02 of the National Constitution and adopted by the National Executive Board at its August 2011 meeting.

16. PAYMENT OF LEAVE FOR UNION BUSINESS (CLAUSE 26.06) OF THE URBAN COLLECTIVE AGREEMENT

16.1 Based on information received this first verification, as of June 30, 2011, the sum of \$716,065.34 has been recovered from some locals pertaining to the outstanding pre-April 2000 amount of \$1,207,925.97.

The National Office will continue to pursue all outstanding amounts from the applicable locals.

16.2 For the first verification period of January 1 to June 30, 2011, the National Board of Trustees also reviewed the amounts pertaining to local union business leave withheld by Canada Post Corporation from the national union dues remittance as per clause 26.06 (h).

Amounts withheld:

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
\$52,622.30	\$98,657.21	\$100,888.75	\$33,760.62	\$99,622.54	\$92,021.35

The six months total \$477,572.77, an increase of \$334,552.35 from the previous sixth verification amount of \$143,020.42.

It is important to note that this amount reflects only the amount owed by locals who have not paid their Canada Post billing directly to Canada Post but had the National Office deduct the amount from their dues rebate. The National Board of Trustees is concerned that locals may not be following the steps set out in clause 26.06 in particular 26.06 (f) prior to having the billing by Canada Post deducted from their dues rebate by the National Office.

Clause 26.06 (f) states:

*“Should the Union, or the local of the Union, as the case may be, believe that the invoice contains an error, the Union, or the local of the union, shall provide written details of the alleged error to the Corporation within the time frame mentioned in paragraph 26.06 (d). Any amounts claimed which are not disputed on the invoice shall be paid in accordance with paragraph 26.06 (d).”*

If local billings sent out by Canada Post are not checked for errors by the locals concerned then the National Office has no way of knowing if these errors actually exist. This may result in Canada Post being paid money they are not entitled to, but in fact belongs to the local.

**Therefore, the National Board of Trustees recommends:**

16.1 That the National Secretary-Treasurer continue to take the necessary steps with all applicable locals in the recovery of the Pre-April 2000 outstanding amounts.

**The recovery of the outstanding amounts is continuing.**

16.2 That the National Union continue to recover outstanding union leave payments and that it provide assistance (training/education) to the locals who do not make payments appropriately, as per clause 26.06 of the Urban Collective Agreement.

**The Union has established a process for the recovery of current outstanding union leave payments. Both the Local Secretary-Treasurer and the Local Administration courses contain instruction on the proper administration of 26.06 leave.**

17. CUPW ADMINISTRATIVE STAFF

17.1 All the staff working at the national office and in the regional offices are covered by collective agreements negotiated between CUPW and their respective union.

	The Canadian Office and Professional Employees Union (COPE 225)	The Canadian Union of Public Employees (CUPE 1979)
Number of employees	51 plus 2 replacements for maternity leave at the national and regional offices	24 plus 2 temporary replacing one member on sick leave and one on leave without pay at the national office
Collective agreement’s starting date	July 1, 2008	August 16, 2009
Collective agreement’s expiry date	December 31, 2011	August 15, 2013

17.2 As of June 30, 2011, there were three administrative employees who were covered by individual contracts with CUPW. The positions include:

1. Director of Finance and Administration
2. Director of Information Technology
3. Director of Oracle Services

18. JOE DAVIDSON FUND

The National Board of Trustees reviewed documentation indicating that the education bursaries had been granted under section 11.04 of the National Constitution.

One member received an education bursary totalling \$6,643.85 for per diem, travel, registration fees, child care and lost wages to attend the CLC Labour College of Canada. Another member received an education bursary totalling \$4,469.20 for registration fees, per diem, travel and lost wages to attend an education course provided by the Union Education Services of the Quebec Federation of Labour.

19. COLLECTIVE AGREEMENT FUNDS

The National Board of Trustees reviewed the various collective agreement funds negotiated for the benefit of the members.

19.1 COLLECTIVE AGREEMENTS

	Based on the audited financial statements from July 1, 2010 to June 30, 2011		
	Child Care Fund	International Fund	Education Fund
Revenues	\$ 2,695,295	\$ 150,260	\$ 2,545,989
Expenses	\$ 1,655,260	\$ 150,260	\$ 1,032,709
(Deficit)/Surplus	\$ 1,040,035	\$ 0	\$ 513,280
Balance as of June 30, 2011	\$ 2,467,587	\$ 0	\$ 1,081,444

There are two other funds administrated by the Union under the urban operations collective agreement. They are:

- ➔ Appendix “T” – Service Expansion and Innovation and Change Committee;
- ➔ Appendix “AA” – Collection and Delivery Model;

19.2 RURAL AND SUBURBAN MAIL CARRIERS

Article 34 – Transition Committee

Based on the information made available to us, an amount of \$133,807.59 is to be received from Canada Post for the period from April 1 to June 30, 2011.

As for the incurred expenses for accommodation and per diem, a protocol was signed and came into effect on October 1, 2010. The protocol states that two thirds of the accommodation and living expenses are to be paid by the employer, and one third by the Union.

20. EXTERNAL ORGANIZING

20.1 According to information received during this verification, the current status of funds being used for external organizing is:

Balance as of December 31, 2010	\$ 193,128
Plus 2.5% from the Reserve Fund (from January 1 to June 30, 2011)	\$ 364,291
Less expenses for the period of January 1 to June 30, 2011	( \$ 122,454)
Balance as of June 30, 2011	\$ 434,965

It should be noted that related legal fees are not charged to the External Organizing Fund.

20.2 For the period under verification, we noted that, out of the 20 active private sector units,

- two units have not paid union dues for one month to the National Office. The recovery process is underway;
- no union dues were collected for three other units for the first six months of 2011, since they were negotiating a new collective agreement;
- Super Express (Fredericton-Oromocto Local) has changed its name to Easy Express. The unit is currently in negotiations for its first collective agreement, with four months’ dues outstanding;
- Intelcom (Edmonton Local) changed its company name and closed its operations.

We will continue to monitor this matter closely during the next verification.

In terms of the Education Fund, the Union has only received funds from one of the eight units who participate. Another unit that should have participated had an employer that has since closed and now operates under a new name. The unit is currently in negotiations for its first collective agreement.

21. CHECK-OFF AND MEMBERSHIP

In accordance with sub-section 4.99 (e) of our National Constitution, the National Board of Trustees has audited membership and check-offs for the period of January 1 to June 30, 2011.

The information and statistics come from computerized statements made available to us for analysis. The reports indicate all employees working either “full-time,” “part-time,” or on a “temporary” basis, as well as their status, as defined in the National Constitution and the various collective agreements. They are:

- Full-time, part-time and temporary “members in good standing”;
- Full-time, part-time and temporary “members”;
- Full-time, part-time and temporary “Rand” members.

Notes:

- The terms “member in good standing” (MIGS) and “member” are defined in sections 1.04 and 1.07 of the National Constitution.
- The term “Rand” refers to the formula in section 70 of the Canada Labour Code for collecting Union dues from employees who have not become members or who have lost membership status as per section 1.11 of the National Constitution.

CHART 1

AVERAGE NUMBER OF MEMBERS IN GOOD STANDING, MEMBERS AND RAND MEMBERS BY BARGAINING SECTORS JANUARY 1 TO JUNE 30, 2011				
	URBAN OPERATIONS	RSMC	PRIVATE SECTOR	TOTAL
Average: January 1 to June 30, 2011	43,834	7,285	606	51,725
Average: July 1 to December 31, 2010	44,547	7,280	585	52,412
Variation	(713)	5	21	(687)

CHART 2

AVERAGE NUMBER OF MEMBERS IN GOOD STANDING, MEMBERS AND RAND MEMBERS WORKING FULL-TIME, PART-TIME OR ON A TEMPORARY BASIS JANUARY 1 TO JUNE 30, 2011				
	FULL-TIME	PART-TIME	TEMPORARY	TOTAL
Average: January 1 to June 30, 2011	40,406	6,352	4,967	51,725
Average: July 1 to December 31, 2010	41,051	6,339	5,022	52,412
Variation	(645)	13	(55)	(687)

CHART 3

AVERAGE NUMBER OF MEMBERS BY STATUS JANUARY 1 TO JUNE 30, 2011				
	MEMBERS IN GOOD STANDING	MEMBERS	RAND	TOTAL
Average: January 1 to June 30, 2011	46,712	2,479	2,900	52,091
Average: July 1 to December 31, 2010	47,014	2,505	3,250	52,769
Variation	(302)	(26)	(350)	(678)

Note:371 lifetime members are included in the number of members in good standing for the period of January 1 to June 30, 2011.

357 lifetime members are included in the number of members in good standing for the period of July 1 to December 31, 2010.

In accordance with section 1.21 of the National Constitution, 87 members have received Retired Member status in CUPW but are not included in the above charts.

All figures have been rounded off.

CHART 4

AVERAGE NUMBER OF MEMBERS BY REGION, GROUP AND BARGAINING SECTORS JANUARY 1 TO JUNE 30, 2011									
REGION	URBAN OPERATIONS						RSMC	PRIVATE	GRAND TOTAL
	GROUP 1	GROUP 2	GROUP 3	GROUP 4	UNKNOWN	TOTAL			
Atlantic	1,151	1,331	31	6	1	2,520	907	128	3,555
Quebec	904	2,326	6	0	2	3,238	1,505	15	4,758
Metro-Montreal	2,599	3,273	157	12	4	6,045	199	0	6,244
Central	1,581	2,154	34	5	0	3,774	1,127	35	4,936
Metro-Toronto	3,883	3,266	202	16	1	7,368	322	0	7,690
Ontario	1,971	5,049	60	12	0	7,092	1,290	36	8,418
Prairie	2,994	4,422	104	14	1	7,535	1,287	384	9,206
Pacific	2,179	4,013	65	5	0	6,262	648	8	6,918
Total	17,262	25,834	659	70	9	43,834	7,285	606	51,725

CHART 5

BREAKDOWN OF FUNDS RECEIVED JANUARY 1 TO JUNE 30, 2011	
Dues received	\$ 18,327,448.15
Local rebates	\$ (4,333,349.45)
Local assessments	\$ (134,450.09)
Additional Local rebates (section 7.08)	\$ (384,438.00)
Federation of Labour Per Capita	\$ (239,639.08)
Optional Insurance	\$ (872,866.22)
Basic Life Insurance	\$ (573,121.57)
Dues unapplied and Suspended	\$ (28,567.95)
Reserve Fund	\$ (616,706.96)
General Fund	\$ (11,144,308.83)

Note:The above indicates total funds received and their distribution for the period of the verification.