



# PEI Federation of Labour December Newsletter Issued on January 10, 2008

## Current News In Brief

### **Former Liberal Cabinet Minister Nancy Guptill Appointed New WCB Chairperson**

□ On Friday, December 21, it was announced that former Provincial Liberal Cabinet Minister Nancy Guptill has been appointed chair of the Workers Compensation Board, effective January 1, 2008. Guptill represented the people of Summerside in the legislative assembly from 1993 to 1999. During that time, she worked as a constituency representative, minister of Tourism and Parks, minister of Labour and the Status of Women, minister responsible for Human Rights in PEI and a member of several standing committees of the legislative assembly, including Education, Policy Board and Community and Cultural Affairs. She replaces former Charlottetown Mayor and Conservative candidate in the 2003 provincial election George MacDonald whose three-year term expires Dec. 31.

### **Province Selects Site for New Montague Regional High School**

□ On Wednesday, December 19, it was announced that the provincial government has selected a parcel of land on Wood Islands Hill as its preferred site for the new \$22 million Montague Regional High School. The property is situated within the Town of Montague to the west and down the hill from the Aquatic Centre and is accessed from the Valleyfield Road.

### **Quebec Increases Their Minimum Wage to \$8.50/hour**

□ On Wednesday, December 12, the Quebec government announced that, effective May 1, 2008, it will increase the province's minimum wage by 50 cents/hour, upping the hourly rate from \$8/hour to \$8.50. The increase will effect more than 254,000 minimum-wage earners in Quebec. In concrete terms, a minimum-wage earner working 40 hrs/week will see their income increase by \$1,000 / year, or a 6.25 % increase.

### **Nova Scotia Legislature Passes Bill to Protect Pensions When Plants Are Closed**

□ On Wednesday, December 12, the Nova Scotia legislature passed a bill that requires companies to ensure pension plans are fully funded when plants are closed. The bill was brought to the legislature in response to the recent closures of the former TrentonWorks

rail car plant and the Moirs chocolate plant . When Greenbrier Companies announced the closure of the TrentonWorks plant, union members at the plant represented by the United Steelworkers (USW) were informed that their pension plan would have a solvency deficiency of about 10%. More significantly, the company declared that it was under no obligation under the Pension Benefits Act to fund that solvency deficiency. Nova Scotia's labour minister has said that the government will act quickly to ensure the new pension protections are put in place for the hundreds of workers at the two closed plants. Once proclaimed into law, Nova Scotia will join jurisdictions such as Ontario, British Columbia and Alberta, which already provide protections for pension plan members at the time of wind-up.

### **Unemployment Rate For November**

□ On Tuesday, December 11, 2007, it was announced that the unemployment rate on PEI for November was 11.2% up 2.4% from October's 8.8%. You currently need 525 hours to qualify for EI on PEI.

### **Lawsuit Alleging Unpaid Overtime Launched Against the Bank of Nova Scotia**

□ On Monday, December 10, a lawsuit alleging unpaid overtime was launched against the Bank of Nova Scotia in the Ontario Superior Court of Justice. The suit, which asks for \$350 million in damages, alleges that thousands of current and former front-line workers at Scotiabank have been assigned heavier workloads than can be completed within their standard working hours and that the workload requires overtime, which the plaintiff alleges that the bank fails to pay. Scotiabank employees are entitled to time and a half pay for any hours logged beyond 37.5 hours a week. In June, a similar suit was brought against the Canadian Imperial Bank of Commerce seeking \$600 million in damages. The suit is expected to get certified for trial in the next year.

### **Unions Announce Financial Support for National Women's Groups**

□ On Monday, December 10, coinciding with the 26th anniversary of Canada's ratification of the UN Convention on the Elimination of all forms of Discrimination Against Women, 3 unions announced that they will give financial support to women's organizations that have been punished under the Federal Conservative government's anti-equality agenda. PSAC has donated \$100,000 and (CUPW) has donated \$25,000 to be divided equally among four national women's organizations: the Centre for Research on the Advancement of Women, the Child Care Advocacy Association of Canada, the National Association of Women and the Law (NAWL) and the Feminist Association for International Action. PSAC is also donating \$15,000 to the Fédération des femmes du Québec, the key women's equality organization in Québec. The Ontario Secondary School Teachers' Federation (OSSTF) has committed \$30,000 to assist these four national organizations, as well as two provincial groups, the Ontario Association of Transition and Interval Houses and the Ontario Coalition for Better Child Care. NAWL

has already been forced to close its office and lay off most of its staff. Women's organizations, like NAWL, have supported the efforts of unions to obtain pay equity, maternity and parental benefits and improve conditions for women in precarious jobs. Statistics show women haven't achieved equality yet. Women earn 71 % of what men make, and violence against women is still a reality for too many women.

### **Quebec Court Rules Forced Amalgamation of Health Care Unions Unconstitutional**

□ On Tuesday, December 4, it was announced that the Quebec Superior Court has found that aspects of a plan by the Quebec government to force amalgamation of health care unions as part of a reorganization of hospitals and community clinics are unconstitutional and invalid. The court agreed that by forcing employees to be part of bargaining units created by Bill 30 ( passed in December 2003) employees lost the right to freedom of association and the right to negotiate through the union of their choice. Bill 30 cut the number of bargaining units for 225,000 health care and social service employees from 3,671 to 1,200 and cleared the way for administrators to transfer staff as they saw fit between departments and hospitals. The government has 18 months to alter its plans and bring them into line with the decision.

### **Extended EI Benefits Pilot Project Extended Until 2009**

□ On Monday, December 3, 2007, the federal government announced that the Extended EI Benefits pilot project will be extended until June 6, 2009 for residents of P.E.I. The program gives EI recipients five additional weeks of benefits.

### **Employees from 3 Island Radio Stations Decide to Unionize**

□ On Monday, December 3, it was announced that on-air personalities and office staff at Magic 93, CFCY and Spud FM have decided to unionize and were recently certified as new members of the Communications, Energy and Paperworkers Union (CEP). This leaves Ocean 100 and K-Rock as the only non-union radio stations on P.E.I.

### **Provincial Politicians Receive 2% Pay increase**

□ On Monday, December 3, the Indemnities and Allowances commission released its recommendations on Island politicians pay. The report recommends, effective April 1, 2008, a 2% pay hike for our provincial politicians to match the increase in the consumer price index. Under the new wage scale, the Premier will now make \$133,110 up from \$130,500. The Opposition Leader and Cabinet Ministers were making \$106,200 and will now earn \$108,324 and MLA's will now make \$63,750 up from \$62,500. The new salaries for the rest of the members of the legislature are as follows Speaker (\$101,286); Deputy Speaker (\$82,518); Government House Leader (\$75,786); Opposition House Leader (\$67,983); Government and Opposition Whip (\$67,320); and Non- Ministerial Member of Executive Council Committees (\$69,600). Under terms of the act, the committee's recommendations take effect automatically, without MLAs ever voting on

their own income.

## **Articles for this Month**

### **C.L.C. Atlantic Region and P.E.I. Federation of Labour Spring Educational**

-The C.L.C. Atlantic Region and P.E.I. Federation of Labour will be holding a one day educational at the Best Western Charlottetown (formerly the McLaughlin Hotel), Charlottetown, PE on Thursday, March 6, 2008 - 8:30 am - 5:00 pm (Lunch provided).

The courses being offered are:

#### **Steward Training Level II: Representation Skills and Tools**

-This second level course builds on the framework of steward skills established in our Level 1 course. The course will focus on representation issues:

- knowing your membership;
- working with your union executive, grievance preparation;
- problem solving, conflict resolution and representation skills.

#### **Collective Bargaining**

-This course is primarily designed for participants who have not had a lot of experience or formal training in Collective Bargaining, but who are members of negotiation committees or who deal with selecting bargaining issues and priorities in their unions. In this course, participants will discuss how to deal with preparation for bargaining, including obtaining the members' opinions on important bargaining issues and how to prioritize them.

-Time will also be spent on preparing for bargaining by reviewing past bargaining issues, grievances and other information that may be useful in the process. Participants will also look at the structure of negotiations, effective negotiation and bargaining skills, and some collective bargaining language.

#### **Teach-In on Women's Equality**

-All levels of government are ignoring the continued and, in some cases, growing economic inequality of women. There is a lack of attention paid to the causes of inequality and little attention being paid to solutions. The manufacturing crisis has highlighted the particular impact on the loss of good paying jobs among women, as has

privatization of public sector jobs.

-This Teach-In on Women's Equality will look at issues such as child care, pay equity, employment standards, access to EI, CPP, OAS and GIS, and their impact on women's economic equality. As well, the Teach-In will help to mobilize union women to talk in their unions, with their families, with the public, the media and with politicians about how important these issues are and what needs to be done to improve equality for women."

## **Registration Information**

-Please complete the Registration form and send it before February 15, 2008 along with a cheque made payable to the P.E.I. Federation of Labour to cover the registration fee (\$35.00 per person which includes lunch) to: Marjorie Gyurus, Registrar P.E.I. Federation of Labour 22 Enman Crescent, Charlottetown, P.E.I. C1E 1E6

\* Registration: 8:00am - 8:30am on day of course

-If you require additional information, please contact: Marjorie Gyurus at (902) 368-3068 or email: [peifed@pei.aibn.com](mailto:peifed@pei.aibn.com) or Jean-Claude Basque at (506)-851-7086 or email: [jcbasque@clc-ctc.ca](mailto:jcbasque@clc-ctc.ca)

## **Study Released on the Effects of the Canada-US Free Trade Agreement**

□ On Friday, December 28, the Canadian Centre for Policy Alternatives released a study "20 Years Later: Has Free Trade Delivered on its Promise?" examining what has happened in the twenty years since the Canada-US Free Trade Agreement was signed on January 2, 1988.

-The study finds that its biggest boosters have grown wealthier but promises of better jobs and rising living standards fell short. Samples of 41 Canadian Council of Chief Executives (CCCE) member companies – the leading supporter of free trade – shows that they shrank their workforce by 19.6% while their revenues grew by 127%.

-And contrary to the CCCE promise of better public services and social programs under free trade, governments slashed programs by 26% ( more than six times deeper than the OECD average) largely at the urging of lobby groups like the CCCE

-Among the study's key findings, between 1987 and 2006 are:

- The 41 companies' combined revenue grew from \$142 billion to \$310 billion

- while they shrank their combined workforce by over 118,000.
- The Big Three automakers shrank their Canadian workforce by over 50%--from 87,626 to 43,000. Their revenue grew by 70%, from \$38.9 billion to \$67.3 billion.
- Despite the massive Alberta oil boom, the three major oil companies in the sample cut their combined workforce by almost one-third, from 22,500 to 15,428. Their revenues soared from \$13.7 billion to \$53.4 billion--a 290% rise.
- Corporate profits are at a 40-year high, but Canadian workers' wage share of the economy has fallen steadily.
- Only the richest 5% of income earners saw rapid growth in their inflation-adjusted incomes from 1992-2004.

The study is available on the CCPA web site at:

[http://www.policyalternatives.ca/documents/National\\_Office\\_Pubs/2007/FTA\\_20\\_Years\\_Later.pdf](http://www.policyalternatives.ca/documents/National_Office_Pubs/2007/FTA_20_Years_Later.pdf)

## **Bill C-12 (Wage Earner Protection Program Act) Finally Given Royal Assent**

□ On Thursday, December 14, it was announced that Bill C-12 which amends Bill C-55 has received Royal Assent. Bill C-12 is meant to help protect workers' wages and pensions in cases of bankruptcy. The Legislation will establish a new national fund which is designed to pay claims equal to four weeks of maximum insurable earnings under the Employment Insurance Act, (a rough maximum of \$3,000 at existing EI rates) when employers go bankrupt . Anyone with claims exceeding this amount will be able to seek the balance through bankruptcy proceedings. The Fund is expected to be operating in about six months and it will have initial funding of \$35 million. About 20,000 employees a year are expected to benefit from this fund.

-The Act also provides for protection of unpaid pension contributions and protects workers' collective agreements from unilateral changes by bankruptcy judges. In far too many cases in the past, Judges have significantly reduced wages, benefits and other provisions in collective agreements. With this new legislation, changes can only be made with the agreement of the union.

-On average, Workers lost approximately \$50 million a year in unpaid wages due to workers being given lower priority than other creditors – such as banks – when businesses declared bankruptcy. This resulted in a long wait for workers to receive on average only 15 cents on the dollar of what they were owed.

-Most aspects of the new law were included in legislation first introduced in 2005. That

legislation passed but was not implemented because of a number of perceived flaws. Bill C-12 was introduced last summer to address these issues. Passage of this legislation was accomplished after an intensive three-year campaign by the Canadian Labour Congress, the Provincial Federations of Labour and affiliated unions to change bankruptcy laws that unfairly put workers last in line to get paid.

## **Important Dates**

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| <b>National Day of Remembrance and Action on Violence Against Women</b>   | <b>Thursday, December 6, 2007</b>                               |  |
| <b>Federation's Presentation to the Standing Committee on Community Affairs and Economic Development Regarding the Issue of Sunday Shopping</b> | <b>Wednesday, January 9, 2008</b>                               | <b>at 3:00 p.m. at the Coles Building.</b>   |
| <b>Community Forum on Poverty as Part of Ken Dryden's National Poverty Strategy Tour</b>  | <b>Thursday, January 10, 2008</b>                               | <b>at 7 pm at the Murphy Community Centre</b>  |
| <b>PEI Federation of Labour Executive Council Educational/Planning Workshop</b>   | <b>Monday and Tuesday, January 28 and 29<sup>th</sup>, 2008</b> | <b>Stanhope Bay Room of the Best Western Charlottetown (formerly called MacLauchlans on Grafton Street.) The meetings will commence at 9:00 a.m.</b> |
| <b>C.L.C. Atlantic Region and P.E.I. Federation of Labour Spring Educational</b>  | <b>Thursday, March 6, 2008</b>                                  | <b>8:30 am - 5:00 pm at the Best Western Charlottetown (formerly the McLaughlin Hotel), Charlottetown, PE</b>  |