



PEI Federation of Labour Newsletter May 2006 Issue

Current News

On Monday, September 4, the P.E.I. Federation of Labour will hold its 7th Annual Labour Day Corn Boil and Barbeque at Victoria Park in Charlottetown. So bring a lawn chair and meet your brothers and sisters as we celebrate Labour Day 2006. There will be Entertainment, Games for the Kids, Prizes, Hot Dogs, Corn, and Fun For All. If your local has union hats, shirts, jackets, etc (Especially something for kids) that you are willing to donate for prizes at the event or if you have any members interested in helping out with the serving or preparation of food or with the children's games and races at this year's event, please contact our office at 368-3068; fax at 368-3192 or e-mail at: peifed@pei.aibn.com by **Friday, September 1, 2006**.

On Sunday, June 11, 2006, it was announced that it will take 525 hours to qualify for EI on PEI.

On Wednesday, May 31, it was announced in a new poll released on the eve of the Federation of Canadian Municipalities (FCM) annual conference in Montreal that 93% Canadians want their water and sewage services kept public. The poll also found that Canadians want the following services kept in public hands: street and bridge maintenance (87 per cent), libraries operation (85 per cent), public transit operation (84 per cent), park and rink maintenance (83 per cent), and garbage collection (82 per cent). 85 % also said it was important that cities use their money to provide public services directly rather than handing it over to private, for-profit companies and contractors. The poll was conducted by Vector Research and commissioned by public and private sector unions.

On Tuesday, May 23, it was announced that the International Labour Organization has blasted the government of Canada in extraordinarily frank language for failing to uphold international labour standards that it is obligated to enforce and rebuked Ottawa for not using its influence to bring offending Canadian provinces into compliance with the UN labour standards. Canada now ranks as the 5th worst global offender of the UN agency's Freedom of Association principles, ranking just behind Argentina, Columbia,

Peru and Greece. We also have one of the worst records of the 177 ILO member States for ratifying ILO Conventions. Of the 185 ILO Conventions, Canada has only ratified 30 and we have only ratified 3 out of the 30 ILO Conventions developed since 1982. Plus, Canada has not ratified three of the ILO's eight core Conventions. A joint 2005 study by NUPGE and the UFCW Canada documented 170 pieces of legislation – at all government levels in Canada – that have denied or undermined basic labour rights since 1982.

On Friday, May 19, it was announced that 3 new commissioners have been appointed to the PEI Human Rights Commission. The new commissioners, Gerry O'Connell of Stratford, Lou Ann Thomson of Brudenell, and Maurice Rio of Summerside, replace outgoing commissioners George Kells and Richard Noonan. Richard Montigny of Charlottetown replaces George Kells as chairman.

On Thursday, May 18, the UFCW announced the formation of the UFCW Canada National Retail Council. The Council will offer Local Unions the ability to coordinate and form policy on negotiations and contract administration issues with national retail chains and individual employers.

On Wednesday, May 17, it was announced that the pension fund for P.E.I.'s government workers has achieved a total balance of \$503 million as of March 31, 2005. There are 2,989 members of the Civil Service Superannuation Fund. In Fiscal Year 2004-05, employers and employees paid a total of \$19.8 million into the fund, while the fund paid out pensions totaling \$21.3 million.

On Wednesday, May 17, UPSE announced that its new members at the Garden Home in Charlottetown have voted 86 % in favor of ratifying their first contract. As part of their first contract, employees will receive a retroactive pay adjustment, as well as guaranteed annual adjustments of 2% (2006), 2.25% (2007 and 2008), and 2.5% (2009) in their hourly rates over the term of this agreement which ends on June 29 2010. Also included are articles covering employee rights, hours of work, shift work, overtime, seniority and job security, layoff and recall, job opportunities and promotions, grievance and arbitration procedures, and benefit entitlements for casual employees that includes a seniority clause. The employees will become members of UPSE's Local G which is presently made up of workers employed at the Prince Edward Home for the Aged and Beach Grove Home.

On Wednesday, May 17, NDP, MP Denise Savoie (Victoria, BC) introduced legislation in Parliament to protect and build quality child care for future generations. The Early Learning and Child Care Act calls on all members of Parliament to protect child care by approving actual legislation after years of empty promises, false starts and setbacks at the

hands of successive Conservative and Liberal governments.

On Tuesday, May 16, it was announced that the Quebec Court of Appeal has rejected an effort by unionized employees at the closed Wal-Mart store in Jonquiere, Que., to launch a class-action lawsuit against the retail giant. The case is now being reviewed with a view to appealing to the Supreme Court of Canada. The ruling upholds last November's decision by the Quebec Superior Court, which ruled it was a matter best decided by the province's labour relations board. A total of 182 employees, let go by Wal-Mart when it shut down the Jonquiere store to escape dealing with a union, are seeking compensation for damages.

On Monday, May 15, it was announced that more than 4,700 current and former members of the Communications, Energy and Paperworkers Union of Canada will vote between May 23 and June 15 in communities in Quebec and Ontario on a \$100-million pay equity settlement with Bell Canada . The proposed settlement covers Bell Canada employees who worked in jobs occupied primarily by women, including operators, dining service and house services workers, between Jan. 1, 1993, and Dec. 31, 1999. Payments awarded will range from \$1,000 -\$16,500. In 2002, the company settled another pay equity dispute with 29,000 sales and clerical staff, represented by the Canadian Telephone Employees Association, for \$178 million.

On Friday, May 12, Representatives of the Federation and CLC met with Island MP Shawn Murphy as part of the CLC's Spring MP Lobby. The issues brought before Shawn Murphy were protecting our public healthcare system, creating a national Pharmacare program, saving the childcare deals signed with the provinces, Anti-Scab legislation, and Canada Post. MP Murphy was generally supportive of our positions on these issues. He did say that he will once again vote in favour of anti-scab legislation and feels that it has a good chance of passing once it comes up again in Parliament.

On Thursday, May 11 and Friday, May 12, the CUPE PEI Division held its 26th Annual Convention at the Brackley Beach North Winds Hotel. Federation President, Carl Pursey attended the convention and gave a speech to the delegates on behalf of the Federation. In his speech, Carl thanked all the CUPE locals that supported our efforts around the Day of Mourning Monument, gave an update of the Federation's activities thus far this year and welcomed the Federation's new CUPE affiliates Local 1770 and Local 3324. He also reminded the delegates of how important it is for the Island's Labour movement to stand together and expressed our interest in meeting with any unaffiliated local to discuss affiliation, and thanked the CUPE rep on the Executive Council Leo Cheverie and all other CUPE members that have helped and supported federation efforts.

On Thursday, May 11, it was announced that Edmonton and Hamilton have endorsed

resolutions to pressure the federal and provincial governments to honour the child care agreements they signed last year. They join a growing list of municipalities fighting for a national child care program.

On Thursday, May 11, it was announced that Jason Lee, the son of former Tory Premier Jim Lee, will be the head of Foreign Affairs Minister Peter MacKay's regional office in Charlottetown. The opening date for the office has not been officially announced yet.

On Wednesday, May 10, Community and Cultural Affairs Minister Elmer MacFadyen announced that once a union is selected at the end of the month to represent all the paramedics under the new provincewide Island EMS service, there will be a meeting arranged to see if union and management can agree on a no-strike policy. If there's no agreement, legislation will be introduced to make paramedics an essential service and remove their right to strike.

On Friday, May 5, John Gordon was elected on the third ballot as the new National President of the PSAC. Gordon had been the union's National Executive Vice-President since 2000. Delegates at the convention also elected Patty Ducharme as the union's National Executive Vice-President. For the past six years, Ducharme had been PSAC's Regional Executive Vice-President (REVP) for British Columbia.

On Friday, May 5, the delegates at PSAC's national convention, voted to begin a formal campaign against what they call the "exploitation of students. PSAC wants to see students taking part in federal government hiring programs to be trained properly, and receive appropriate benefits and wages when they're doing the same jobs as regular employees. The delegates approved a \$350,000 budget to launch the campaign. The President of the PSAC plans to begin discussions with the Treasury Board before bringing the proposal to the bargaining table. Also at the convention, the delegates adopted a fight back campaign against potential program cuts, contracting out, and privatization. The campaign will be used to defend public services and gear up for the next critical round of collective bargaining. The delegates also approved a plan to boost their strike fund to \$25 million through special strike dues.

On Friday, May 5, Statistics Canada announced that the share of Canadian adult women who were employed hit a record 58 %, after an employment gain of 39,000 in April. They listed 3 factors for the increase: a talent shortage, a strong economy and a growing number of women with post-secondary education. However when it comes to pay, women working on a full-time, full-year basis had average earnings of \$36,500 or 71 % of what their male counterparts made according to a 2003 Statscan report , the most recent period that data is available.

On Thursday, May 4, it was announced in Canada Post's 2005 Annual Report that the crown corporation had \$199 million in net profits last year making it the corporation's eleventh consecutive year of profit. Also Regular lettermail, addressed admail and parcel volumes all increased to a record volume of 11.1 billion pieces. Even with all the positive news, Canada Post still tried to use the annual report as an opportunity to suggest that our public post office is in trouble and needs to be more profitable. CUPW is currently demanding that the public and postal workers have more information and input into the future of the public postal service through their Operation Transparency campaign.

On Thursday, May 4, an Anti-Scab Bill (C-257) was introduced by the Bloc Québécois MP for Gatineau, Richard Nadeau. The Private Member's Bill which contains essentially the same provisions as Bill C-263 will formally begin debate on June 6, with further debate and voting at second reading scheduled for mid-October. Last April, Bill C-263 also introduced by the Bloc lost by just 12 votes when Liberal cabinet ministers joined with the Conservatives to defeat the measure 143-131. Three of four Island MP's voted in favour of Bill C-263 last time. Only, then Minister of ACOA, Joe MacGuire voted against it. On May 1, 2006, NDP MP Pat Martin (Winnipeg Center) also introduced a similar Bill. However, it may take some time before his bill comes up for debate.

On Monday, May 1, it was announced that the first group of 19 workers from Russia will arrive on P.E.I. Tuesday to start work in Ocean Choice's Souris plant. A group of about the same size is expected in two weeks. Ocean Choice is paying the Russians \$7.25 per hour, have paid for the workers' flight from Moscow to Charlottetown and has arranged for housing in the Souris area for which the workers will pay \$250/ month each. The company says there is no government financial assistance involved in bringing in the workers.

In recognition of May 1st International Worker's Day, the Federation distributed over 10,000 placemats to various restaurants across PEI. This action was headed by the CLC-Atlantic Region and was also undertaken by various District Labour Councils in Nova Scotia, New Brunswick, and Newfoundland and Labrador. The theme for this year's placemat was "Protecting Health Care for Our Families" and it included 10 questions in English and French on our Public Health Care System. The PEI Federation of Labour would like to thank Mary Boyd (MacKillop Centre for Social Justice), JC Basque (CLC rep), former Executive Council Member, Vimy Gregory, current Executive Council Member, Leo Cheverie (CUPE) and everyone else who helped to distribute the placemats for the Federation.

On Saturday, April 29, about 30 people attended a forum at St. Peter's Church Hall in Charlottetown to discuss electoral reform. At the meeting, the consensus was that the

province should commission a randomly selected citizens assembly, similar to the one that examined electoral reform in B.C. The participants also discussed setting up another meeting at some point to discuss the details of how that assembly would be made up and what work it would do, before filing a recommendation with government.

On Saturday, April 29, CLC Executive Vice President, Marie Clarke-Walker, who was in town to speak at the Federation's Day of Mourning Ceremony and Celebrate May Day Brunch, gave an interview to the Guardian. In the article, which appeared in their May 4th edition, Sister Walker spoke on the Code Blue Campaign and the crisis Child Care in Canada is in thanks to Prime Minister Harper's insistence on replacing the signed Provincial Child Care agreements with his "Baby Bonus" initiative. Also in the article, Sister Walker called Harper's initiative elitist because it doesn't take care of those that are most in need and she also noted that PEI will lose 1,066 potential child care seats that were to have been created under the scrapped federal child care agreement with PEI.

On Friday, April 28, documents were signed giving the P.E.I. Hog Marketing board an 80 % share in the Garden Province Meats plant in Charlottetown. Beef producers will get the other 20% share. The farmers are buying out Maple Leaf Foods' majority shares in the plant for \$1, the same price Maple Leaf originally paid for the shares. A transition team is still considering proposals from companies or individuals interested in taking over the day-to-day operations of the plant. A final decision has yet to be announced.

On Thursday, April 27, it was announced that a new agreement between Citizenship and Immigration Canada, the government of PEI and post-secondary institutions, will allow eligible foreign students at UPEI, Holland College and Société Éducative to work off-campus for up to 20 hours per week during the school year and full-time during study breaks, as well as two years following graduation. The agreement is effective immediately and students can apply for a permit right away. Approximately 150 international students from 48 different countries currently at UPEI would be eligible to apply for this opportunity.

Highlights and Lowlights of the Federal Budget

On Tuesday, May 2, Federal Finance Minister Jim Flaherty tabled the Conservative government's first budget in the House of Commons in Ottawa. Here are the highlights of what was tabled:

Child Care

-The Tories cancelled the child care agreements as of March 31, 2007, terminated the promised funding for early learning and child care on First Nations reserves, and

eliminated the young child supplement of \$249 that was provided mostly to lower-income families under the national child benefit.

-The government introduced their taxable \$1,200-a-year child-care benefit for all children under the age of 6. They will spend \$3.7 billion on the program, starting in July. The payments will continue until the month in which the child turns six.

-the budget also includes A five-year commitment of \$250 million each year for employers to provide child care spaces through grants and tax incentives for capital investments, but only starting in 2007, after consultations.

Taxes

-The Conservatives will provide total tax cuts of over \$21 billion over two years, including a 1% cut in the GST, costing over \$5.2 billion per year. The cut to the GST will provide a tax cut worth an average of \$270 per family.

-As of July 1, there will be an increase in the lowest personal income tax rate to 15.5% from 15% and a reduction in the basic personal allowance from what was promised last November, leading to a tax increase of about \$200 per person.

-The government is also introducing a new Canada employment benefit that will offer working people a \$250 tax credit for 2006 to cover work-related expenses, such as home computers, uniforms and supplies. The credit rises to \$1,000 for the 2007 tax year.

-There will also be new tax credits for transit passes, students' textbooks (up to \$12.50 per month), tool expenses for trades people (up to \$500 per year for tools purchased in excess of \$1,000 per year), children's fitness and organized sports programs (up to \$500 per year), and exemption of scholarship and bursary income from tax.

-The pension income credit for RRSP's and employer pension plans will increase to \$2,000 from \$1,000.

-The federal capital tax will be eliminated as of Jan. 1, 2006. The tax, which is charged at 0.125 % on taxable capital in excess of \$50 million, was originally slated to be phased out in 2008.

-A new apprenticeship job creation tax credit will be introduced, with a maximum value of \$2,000 per apprentice. Employers can also apply for an apprenticeship incentive grant of \$1,000 for apprentices enrolled in the Red Seal program (subject to consultation with the provinces).

-The cuts to the corporate income tax rate will be lowered to 19 % from 21% by 2010. The small business tax rate will also be cut by a full point to 11% from 12% effective in 2009.

Program Cuts

-The government announced that they will try to curb its expenses by cutting some programs deemed to no longer be serving their purpose and the Treasury Board will aim to find \$1 billion in savings for 2006-07 and 2007-08. Details about the cuts, which could affect department and agency employees and the programs they offer, are expected by the autumn.

Other Budget Items

-Canada's military will see its budget increased by \$5.3 billion over the next five years.

-The budget also includes \$303 million over two years for border security and \$161 million over two years to expand the number of RCMP officers and hire additional federal prosecutors.

- \$52 million per year for the next two years to Health Canada and the Public Health Agency for the Canadian Strategy for Cancer Control.

- A \$500-million reduction in Post Secondary Education funding promised by the previous government.

-The cancellation of climate change initiatives designed to meet Kyoto targets with funds redirected to a "Made in Canada" climate change program currently in development.

-Extend solvency funding payments for federally regulated pension plans from five years to 10, subject to buy-in by members and retirees; permit fund sponsors to use letters of credit for the extension of the payment period; and, provisions to consolidate solvency payment schedules.

-\$3 billion of unanticipated federal surpluses will be applied to the CPP/QPP funds.

-Finally after putting aside \$3 billion for both this year and 2007 for debt reduction, the government said it expects a surplus of roughly \$600 million for the current year and \$1.4 billion the following year.

Important Dates

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| Forum on Municipal Issues | June 20, 2006 - 9:00 am to 4:30 pm | Basilica Recreational Centre, Charlottetown |
| Labour Day | Monday, September 4, 2006 | 4:00 - 6:00 P.M. at Victoria Park, Charlottetown |
| PEIFL Annual Convention | Friday and Saturday November 3 and 4, 2006 | |