



A FEW WORDS FROM THE PRESIDENT

In this edition, there is an article introducing a new campaign that UTE has launched. It is imperative that you back our campaign "Support Public Service Employees". Right wing lobby groups and think tanks have been allowed for far too long now to publically bash federal public sector workers regarding their pay and benefits. It is time to stand up for ourselves and be counted.

We have chosen to educate businesses in our communities about the importance of your hard-earned salary and how it contributes to the local economy. If the lobbying groups had their way, you would be making far less in salary and have no pension other than what is provided for by CPP. Very few times, is it stated the average pension for a federal public sector worker is \$25,127 and the fact that you pay into your pension.

This round of bargaining will be very difficult.

One issue we know will be on the bargaining table is severance pay. We must defend what we have had as a collective right for more than 40 years and ensure that others coming behind us continue to receive this benefit. Recent rounds of bargaining with Treasury Board for other bargaining units

have demonstrated a trend of concession bargaining. In order to prevent this trend from continuing with our members, we will need your uncompromised support and solidarity. The Bargaining Team will be developing strategies for you to demonstrate your support within your local workplace. If you want to maintain your current benefits, we encourage you to participate in local activities.

We are facing a government that has demonstrated in the past 11 months they will do everything in their power to remove the benefits that you have today, including your right to negotiate in good faith. We must stand together, we must stay strong and we must continue to defend and protect the benefits that we have achieved.



Robert Campbell
National President

**SI VOUS PRÉFÉREZ AVOIR CE COMMUNIQUÉ EN FRANÇAIS, VEUILLEZ VOUS
ADRESSER À VOTRE PRÉSIDENT- E DE SECTION LOCALE**

UTE LAUNCHES NEW CAMPAIGN

The UTE is launching a new campaign called “Support Public Service Employees”. It is aimed at providing information on the economic contribution made by public servants in their communities and the necessity of retaining our current pension system and our severance.

This campaign will have two separate actions. Firstly, Locals will be asked to meet with their MPs in April and will be provided with speaking notes and background information for use in having these meetings. Secondly, the Locals

SUPPORT PUBLIC SERVICE
EMPLOYEES
WE Support YOU



Visit our website at:
www.ute-sei.org/support

will be given business cards for members to hand out at places of business when they are shopping. These cards will give information through a web address for businesses to understand why we are supporters of local business and the contributions our financial resources provide.

The reason we are launching this campaign is to provide awareness to both MPs and businesses and counter the claims by lobbyists that suggest we are over-paid and deserve much less. It has always been a strong union principle to spend our hard earned money in local businesses and certainly any reduction in our resources would be a reduction to the bottom line of businesses where we typically shop. I would argue that many people would agree, and through the distribution of the campaign cards businesses will soon be able to track the impact our money has on them.

The Political Action Committee has provided an in-depth presentation and roll-out of this campaign at the March Presidents' Conference.

In Solidarity,

Adam Jackson

Chair, Political Action Committee

UTE UPCOMING EVENTS

April 20—21
Regional EO
Conference
(Vancouver)

April 29—May 4
PSAC Triennial
Convention
(Ottawa)

May 25—26
Regional EO
Conference
(Montréal)

June 4—7
Executive Council
and NUMC
(Ottawa)

June 22—23
Regional EO
Conference
(Winnipeg)

FEDERAL PUBLIC SERVICE PENSION PLAN MYTHS

MYTH: The Federal Public Service Pension Plan is currently unaffordable and unsustainable!

FACT: According to the most recent evaluation of the Chief Actuary of Canada, there is an actuarial surplus in the Public Service Superannuation Account of \$4.6 billion for pensionable service accrued prior to April 1st, 2000 plus and actuarial surplus in the Public Service Pension Fund of \$972 million for pensionable service accrued subsequent to April 1st, 2000

MYTH: The Federal Public Service Pension Plan provides retirees with a “gold-plated” pension benefits!

FACT: According to the latest report on the Public Service Pension Plan for the fiscal year ended March 31st, 2010, the average annual federal public service pension payable was \$25,127!

MYTH: The pension benefit provided to all retirees under the Federal Public Service Pension Plan is based on 70% of highest average earnings!

FACT: The pension benefit formula under the *Public Service Superannuation Act (PSSA)* provides a pension benefit accrual formula of 2% of highest average earnings times years of pensionable service. Therefore, the only Federal Public Service retirees entitled to a pension of 70% of highest average earnings are those who have completed 35 years of pensionable service.

BARGAINING

It's spring already, and negotiations will begin with the Notice to Bargain on July 1st. Every bargaining process is different, but this one will leave a mark. The positions taken by the Harper government that do not respect the right to negotiate (Air Canada is an example) and the unconditional application of budgetary consequences confirm for us that this process will be special.

Our preparations are going well. The official process to collect bargaining demands ended on March 19th. In order to fine-tune our preparations, a workshop on collective bargaining was held in conjunction with the March 2012 Presidents' Conference of all locals across Canada. The meeting of the National Bargaining Committee to select and prioritize our official proposals will be held from May 15th to 17th. The members of the Bargaining Team will be chosen at that meeting.

We welcome our new PSAC negotiator Brother Morgan Gay. We are confident that our Bargaining Team will continue to work with determination and solidarity. I take this opportunity to thank Sister Gaby Lévesque for her dedication and professionalism during the last two bargaining processes. We wish her good luck in her new endeavours.

In this issue, you will also find further explanations on the need to stand together and demand more than benefits for our collective agreement, **namely the right to a job, and the right to bargain in good faith**. We have to protect the gains we have fought hard for over many years of struggle.



We cannot look the other way and let dictatorial actions pass. We have rights within this democratic capitalist system, and our bargaining process will be an opportunity to assert them. The success of the solidarity demonstration on March 1st is a credit to us all. Congratulations to all who took part. You were taking action to protect our future, our families and the Canadian public. We have to protect the gains we have fought hard for over many years of struggle.

Yours in solidarity

Denis Lalancette
2nd National Vice President

Do you want to receive the latest bargaining information?

It couldn't be simpler.

SUBSCRIBE TO OUR BARGAINING EMAIL LIST

- Go to our website at: www.ute-sei.org
 - Click on : **Subscribe** (near the top of the page)
 - Choose the **Bargaining** list as the one you wish to subscribe to
- You will receive an email message to confirm your subscription.

This list will be used to update you on bargaining developments.

CFIB IS WRONG ABOUT PUBLIC SECTOR PENSIONS

*Excerpt of a press release dated February 28th, 2012
by Peter Stoffer, MP (Sackville-Eastern Shore)*

Shame on Catherine Swift, the President of the Canadian Federation of Independent Business (CFIB) for her recent action alert entitled “*Leadership on Pensions Needed Now!*”

Ms. Swift paints the picture that Canada faces a very real pension crisis related to lack of fairness and sustainability. She blames an “overly generous public sector pensions” as well as demographics.

But who exactly in the public sector is Ms. Swift attacking?’ I would like to remind the CFIB that thousands of these public sector pensioners’ and employees are people who serve in the Canadian Forces, the RCMP, our correctional facilities and at border crossings. Many of these men and women are in dangerous jobs and serve and protect our country on a daily basis. They are also food inspectors, customs officials, transport inspectors, and thousands of other professionals who help protect our borders, natural resources, transportation systems and the health and safety of our communities.



As for the supposed gold plated nature of public pensions: the average public sector pension is around \$18,000, according to EnviroNics Research. Given that the Low Income cut-off (the measure used by many domestic groups to designate poverty) for a single person in Canada is \$17,219, I think that it’s safe to say that \$18,000 is hardly gold-plated.

The CFIB action alert then goes on to claim that CPP has an “estimated \$200+ billion unfunded liability in public sector pensions.” This is simply not true. But don’t take my word for it. Take the word of Greg Hurst, from Benefits Canada:

The “truth is that the federal government took steps more than 10 years ago to reign in the growing value of the Superannuation Account and to improve management of its unfunded pension obligations. Both employer and employee contributions for pensions in respect of service after March 31, 2000, are invested by the Public Sector Pension Investment Board, and the latest reports of the Chief Actuary show that those pension obligations are fully funded with modest surpluses. Thus, there is no crisis of unfunded pension obligations for the federal public service.”

Again, I am very disappointed in the CFIB’s position as it only serves to pit private sector employees against those in the public sector and polarize the pension debate.

CHANGE OF ADDRESS

Please note that all address changes should be done via e-mail to Sylvie Bastien (basties@ute-sei.org) or via the national web site. If you do not have access to an e-mail, please pass it on (with your PSAC ID) to a local representative or mail it directly to the National Office at 233 Gilmour Street, Suite 800, Ottawa ON K2P 0P2.



OUR COLLECTIVE AGREEMENT – OUR FUTURE



COLLECTIVE BARGAINING

*“Membership involvement and mobilization form the foundation of the collective bargaining process. Through collective bargaining we protect and improve our working lives and help to build the labour movement. Moreover, we could achieve our collective aspirations and goals. Collective bargaining is also an important vehicle for advancing our goals with respect to human rights and social justice. Collective bargaining also benefits society at large by helping to create more inclusive and progressive workplaces”.*¹

The Union is convinced that the best process through which the employer can recognize the work of its employees is through collective bargaining.

Collective bargaining is the relationship between the union and the employer. It involves a number of steps governed by the *Public Service Labour Relations Act* (PSLRA). Those various steps are essential for the parties to reach an agreement. It is through this process that we can discuss members’ concerns.

Our collective agreement is the outcome of many bargaining processes. It is through these processes that we have improved the conditions of employment and benefits, obtained salary increases, influenced earnings for other workers. In addition, your salaries have a significant impact on the economy.

Bargaining occurs at the table. When the government/employer informs us that it will be imposing changes to the conditions of employment (e.g. severance pay) **that is not bargaining.**

What is there to fear in this round of negotiation?

Changes in the severance pay²

Our collective agreement currently provides for one (1) week’s pay for each year worked, up to a maximum of thirty (30) weeks for severance pay at retirement, and one half of one week’s pay for each year of employment up to a maximum of twenty-six (26) years, or thirteen (13) weeks upon resignation.³ (For details, see Article 63 – Severance Pay of your collective agreement)

Severance pay has been included in collective agreements since the beginning of negotiations (1967). Severance pay replaced “retirement leave” and the 1/2 week “gratuity” per year of employment for other forms of termination. At that time, the conditions of employment for federal employees were governed by the *Public Service Terms and Conditions of Employment Regulations*.⁴

(Continued on page 2)

1. Excerpt from the *Public Service Alliance of Canada (PSAC) Regulation 15*
2. Article 63 (Severance Pay) of the *Collective Agreement between the Canada Revenue Agency (CRA) and the PSAC – Expiry date October 31, 2012*
3. Excerpt from the document: *BARGAINING PSAC–CRA (Letter – Betty Bannon, UTE National President, October 19, 2010)*
4. Excerpt from the document: *PSAC Questions and answers on severance - 2011*

Why should we oppose the change to/loss of severance pay?

- The Canada Revenue Agency is independent of the Treasury Board, and we have to bargain based on that reality. Just because other bargaining units have agreed to change severance pay does not mean that we have to agree to do so.
- Severance pay has been negotiated and continued in collective agreements for over forty (40) years.
- Severance pay at retirement is increased based on salary increases and pay increments.
- This amount can be helpful in tough financial situations and during the period between the final pay cheque and the retirement benefit.
- If the government changes the pension fund of federal employees, severance pay at retirement could offset potential losses.
- The government/employer continues to pay large bonuses to Public Service managers and go on providing generous pensions to Ministers and Members of Parliament.

Who loses out?

All employees lose out, because any concession may lead the employer to seek further concessions in the future. If we open the door now, we are putting other conditions of employment, protected under the collective agreement, at risk in future negotiations.

New employees will not have the chance to accumulate severance pay at retirement. Current employees will no longer be able to accumulate severance pay. Also, severance pay upon termination, after ten (10) years of service, will no longer exist. This creates a disparity between new and current employees.

What will the future impact be if we don't express our discontent?

- It reduces the significance of collective bargaining;
- It limits the union's role of representing its members;
- It tells the employer that it can change our conditions of employment without consulting us;
- It creates a precedent allowing the employer to act this way again;
- It allows the employer to adversely affect our rights including right to bargain.

Conclusion

The smallest actions are worth more than the greatest intentions. It is through solidarity that we will be able to express our disagreement, our discontent. Victory is not an easily achieved goal, but we will have already won if we support each other.

OUR COLLECTIVE AGREEMENT – OUR FUTURE



NATIONAL DAY OF MOURNING

Saturday, April 28th is a very important day. It is the day we commemorate workers whose lives have been lost or injured in the workplace. This National Day of Mourning, held annually on April 28, was officially recognized by the federal government in 1991, though its beginning was launched eight years earlier by the Canadian Labour Congress.

The Day of Mourning is now recognized in approximately 80 countries around the world. As is the custom on all National Days of Mourning, the Canadian Flag will fly at half mast. Throughout the country, candles will be lit, ribbons and arm bands worn with pride and remembrance, and moments of silence observed.

Please participate and strive throughout the year to prevent workplace injuries, illnesses and deaths.

In 2010, in Canada, 1014 fatalities occurred at the workplace, an average of 2.8 deaths every day. Every day workers leave their home and their family expecting to see them later that same day. They do not leave home expecting to die.

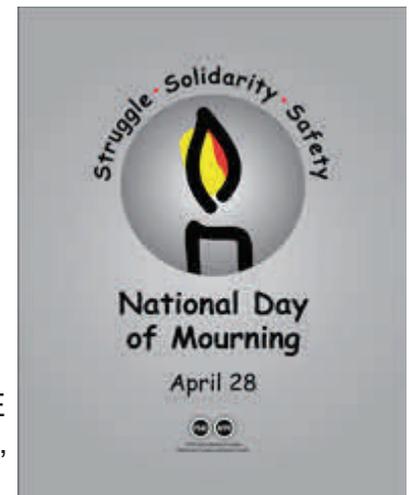
The international symbol for Health and Safety is “THE CANARY IN THE CAGE” and people have asked what that represents. In the 19th century, miners would take a caged canary into the mines with them. Canaries are more sensitive to airborne hazards and the absence of oxygen than people. If the canaries were overcome by hazards, it was a sign to evacuate the mine fast.

Unfortunately, as the numbers indicate, humans have now become the canaries in the workplace and we must recognize that when every single day in Canada almost three people die at work. Something must be done. Remember the slogan:

“Mourn The Dead, Fight For The Living”

It is as much a day to remember the dead as it is a call to protect the living.

It's your life. Don't leave work without it.



Chris Aylward

Chair, Health and Safety Committee

North America Occupational Safety and Health - NAOSH week is being celebrated May 6 - 12, 2012.

Ask your local workplace health and safety committee how they are planning to celebrate this week in the workplace. Workplace committees who plan events can win prizes and should visit www.naosh.ca to learn more.

THE VALUE OF PUBLIC SERVICES

When the Federal government cuts public services, they're actually taking money out of your pocket! A recent study by the *Canadian Center for Policy Alternatives* estimates that the average Canadian household takes advantage of about \$41,000 a year in public services. That's 41,000 dollars you don't have to spend on things like doctor's visits or water treatment. Also, you don't have to buy your own fire truck... unless you want to.

Tax cut folly

The total cost of the Harper government's tax cuts between 2006 and 2013-14 is a staggering \$220 billion.

That money could have been used to reduce wait times in health care, reduce tuition fees, create an early learning and child care program, improve Canada Pension Plan benefits, tackle poverty and fight climate change.

Sadly, these just aren't priorities for the Harper government.

Federal Corporate tax rates over a 12 year period:

- 2000 – Tax rate was 30%
- 2004 – Tax rate had dropped down to 21%
- 2008 – Tax rate was lowered to 19.5%
- 2011 – Tax rate lowered to 16.5%
- 2012 – Tax rate going down to 15%

In a 12 year period the federal corporate tax rate will be cut exactly in half.

When was the last time you had your tax rate cut in half?



ALTERNATIVE FEDERAL BUDGET 2012

March 15th, 2012 the *Canadian Center for Policy Alternatives* (CCPA) released the *Alternative Federal Budget 2012: A Budget for the Rest of Us*. This year's AFB presents a public investment plan that promotes a better quality of life for all Canadians, not just an elite few.

The AFB is designed to:

- tackle poverty and income inequality by investing in public programs like education, affordable housing, public pensions, universal pharmacare, and national child care;
- get Canadians working again by creating jobs and lowering the unemployment rate;
- close tax loopholes for the wealthy, and put an end to the federal government's failed corporate tax cut experiment;
- get serious about environmental leadership with a forward-looking green strategy;
- repair our cities and build sustainable communities with a long-term physical infrastructure program.

To obtain the full budget document, please use this link:

<http://www.policyalternatives.ca/afb2012>