



TEAMSTERS CANADA RAIL CONFERENCE

CONFÉRENCE FERROVIAIRE DE TEAMSTERS CANADA

Douglas Finnon
President
Président

Roland Hackl
Vice-President
Vice-Président

1710-130 Rue Albert Street
Ottawa, ON - K1P 5G4
Tél: (613) 235-1828
Fax: (613) 235-1069
www.teamstersrail.ca

Christopher Lowe
Secretary Treasurer
Secrétaire-Trésorier

Don Ashley
National Legislative Director
Directeur législatif national

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Division Officers
General Committee Officers
Provincial Legislative Board Officers
TCRC General Membership

Dear Sisters and Brothers,

The railroad industry within Canada is undergoing a transformation that each and every one of our members is witnessing on a daily basis. There is tremendous stress being placed on the Union membership, the workers who make the railroad industry run. The largely American style of Labour Relations has permeated the industry within the Canadian borders, confrontation and retaliation against workers is becoming more and more prevalent in the complaints we hear, and the grievances advanced. The attack on workers in Canada is no more evident anywhere else than within the Rail industry. Of course each of you know all of this as you are living it every day.

Given all of the circumstances we find ourselves in at this critical time, the entire Executive Board believes it is time to provide each of you with an explanation as to the state of the Union.

The TCRC is in full action defending the rights of the membership, defending the Collective Agreements, Pensions and Benefits; fighting excessive discipline, unwarranted dismissals, violations of the Canada Labour Code, and fighting for improved and safe working conditions in a time when Governments and industry alike are contributing to the war on workers. From the Division levels through the General Committees and Provincial Legislative Boards right up to the National Executive Board. Everyone is contributing to the fight and there has not been one person who has ever said we should give up and stop fighting.

The newly elected National Executive Board are all working hard and implementing many changes to improve the level of service for the membership, to modernize the Union operations and communications, and to better manage the financial affairs of the Union.



There is unanimous commitment among the Executive Officers to not back off, to find ways and means of taking the fight to the employers, and to never, ever, give up fighting.

Violations of the Collective Agreements go through the grievance procedure and on to arbitration, while violations of the Law are advanced to the Labour Boards. The TCRC uses legal representation for each. Several Labour Board rulings have been registered with the Federal Court as a result of the employers continued violations, and those Board Orders can then be enforced through the courts. There have been 13 files advanced to the Canada Industrial Relations Board in the past two years at CP alone. Two of the Orders from the Board have been registered in Federal Court because the employer would not adhere to the Order. Two complaints against the Union membership have been successfully defended.

Since 2013 there has been in excess of 160 arbitration cases argued by the TCRC, including over 100 dismissals. The TCRC success rate varies but has remained around the 70% level. Each case involves legal counsel for the TCRC. There are many more dismissals currently in the system headed for arbitration. For example, the upcoming group of arbitration cases scheduled this month includes 14 TCRC cases of which 11 are dismissals. There are virtually thousands of grievances in the system and potentially headed for arbitration. The system is strained.

There have been several "Interest Arbitration" cases where legal counsel and other professionals have been effectively used. CP in 2012 is a good example, where the pension experts used were essential in preserving many millions of dollars of pension benefits for the membership. That fight is again surfacing at VIA Rail in 2015 where the pension is under direct attack by the employer. We have again hired pension professionals to provide specialized representation which will hopefully save the VIA Pension for the membership.

At CP there is a mediation and arbitration process beginning very quickly. The National Office will fund the legal and other professionals utilized within their areas of expertise. The issues are all very serious and the membership will have the best professional team possible assembled to represent their interests.

Fighting in arbitration and through the legal system is a very expensive and sometimes a very long process. However, the reality is the present war is largely fought on a legal basis and we require effective legal representation to be successful.

Locomotive Video and Voice Recording is a technology the Government wants to implement into the locomotives. In turn the Railroads are trying to convince the Government to give them access to the recordings at any time and for any reason they want. This is a significant and dangerous approach to a feature the Transportation Safety Board (TSB) recommended for TSB accident investigations only. This issue surfaced at CN bargaining, and continues to surface at CP, VIA and Bombardier (GO Transit operations).

Fighting to protect the rights of workers against this illegal surveillance is another project we have initiated. This has the potential to be the most significant change in working conditions ever, and we have assembled a good legal team to work with our National Legislative Director, Brother Don Ashley, as well as our Teamsters Brothers and Sisters.

In the twelve years the TCRC has existed, the National portion of the monthly union dues has never increased. In 2010 a new Education Fund was created with five dollars per member per month, however that funding may only be used for Training and Education of the members and officers and is not used for any other purpose. We are now changing the training programs back to a regional delivery, which has significant savings. Training will increase as we expand the delivery locations and the number of courses, however the cost savings measures means the present level of funding will remain adequate for a very long time. We can almost double the amount of training for the same cost as before.

Recently the Executive Board reviewed our entire financial operations and the long-term viability of the funds. It was determined the present level of income was insufficient to cover the budgeted level of operating expenses and liabilities. An increase of ten dollars (\$10.00) per member per month was authorized by the Board and will be implemented effective July 1, 2015. This increase will be in effect until the 2018 TCRC Convention, at which time the elected delegates will determine next steps. If the delegates take no action, this increase will be removed and the National Dues will be reduced.

Several decisions have contributed to the necessity of increased funding at this time. In 2013 there was a Presidential Initiative to change the TCRC Bylaws that cost the membership several hundreds of thousands of dollars in expenses. At the same time the National Legislative Board Union dues were reduced to three dollars and twenty-five cents (\$3.25) per member per month. It had been \$7.50 for LE and \$6.75 for all others. Together, those two decisions represent a direct cost in excess of one million dollars to the General Fund.

A portion of the present National Dues, two dollars (\$2.00) per member per month, is directed to the TCRC Convention Fund. That level of funding no longer covers the cost of the Convention and the deficit from the Convention has been covered by the General Funds. An increase to the monthly funding directed into the Convention Fund is necessary and overdue. The TCRC Convention is scheduled every four years and it costs about one million dollars. The next Convention is in September 2018.

Inflation affects the national operating budget and overhead in general. For example the Merger Agreement into the Teamsters structure includes a per capita payment made by the TCRC, and the terms of the Merger Agreement require the per capita be increased in line with the average wage increases of the Union membership. So, every year our obligations increase while our national dues levels have remained the same, or since 2013 have actually been lowered. It is impossible to continue this forever.

The Executive Board has also taken action to reduce expenses. The National Officers salary will not increase and will be frozen at the 2014 level, an annual savings in excess of twenty thousand dollars. The office lease has been recently renegotiated and the monthly rent has been reduced almost five thousand dollars per year. Other office overhead has been reduced and there is an ongoing review to reduce expenses and overhead significantly. Many of the costs are relatively fixed, however any expense that can be reasonably reduced or eliminated will be.

Presently the TCRC National Office pays for the General Chair expenses during collective bargaining, and is currently paying for all of the legal representation for arbitration, Labour Board complaints and associated court actions throughout the entire organization. This represents a level of liability the monthly national funding was not designed to cover and has not previously had to absorb. The increased financial obligations combined with the reduced level of dues since 2013 contributes to the necessity of increasing income at this time.

The increase in national dues is going to primarily fund the ongoing fight for the memberships rights in every legal sense. This legal budget is reflective of the commitment by the Executive Board to properly operate and fund the best legal action program possible. A portion of the increase will have to contribute to the convention fund and make up for that shortfall.

The Executive Board officers appreciate the fact this is a significant increase and the decision to increase the dues was not made lightly. Given the circumstances, it was a decision that is vital in the overall representation of the TCRC membership throughout Canada, and for the long-term sustainability of the organization.

We will be circulating information to demonstrate how much per member per month is being used to fund the operations, wages, office overhead, legal etc. That report is being prepared and will be circulated throughout the organization when it is completed.

Thank you for taking the time to read through this information.

Sincerely and in Solidarity,



Douglas Finnon
President - TCRC

cc: TCRC Executive Board members