

September 13, 2018

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**Hold Canada Post to Account!**



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## Postal Workers Stand United

# Hold Canada Post to Account!



**Action by Rural and Suburban Mail Carriers in Paradise, Newfoundland, August 2016, demanding pay equity with urban letter carriers.**

Canada Post announced a second quarter loss of \$242 million through the monopoly media on August 28. This so-called loss occurred despite a nearly 20 per cent increase in second quarter gross income for parcel deliveries.

The announcement came at a crucial time in negotiations between Canada Post and the Canadian Union of Postal Workers (CUPW). Many suspect the suggestion of a financial loss was a less than honest attempt by Canada Post to put pressure on the union in the mediation process for a new contract after direct negotiations broke down at the end of June.



The purported loss is not real, but an accounting trick based on what Canada Post calculates to be the amount necessary to settle the longstanding pay equity dispute with rural and suburban postal workers organized by CUPW. This dispute has been dragging on for over two years because Canada Post simply does not want to meet the just claims of its rural and suburban employees. To date Canada Post has refused to come to a settlement in the pay equity mediation process, even though the legal procedure has already concluded that the nearly 8,000 Rural and Suburban Mail Carriers (RSMCs) are paid at least 25 per cent less than urban letter carriers. RSMCs are more than 80 per cent female.

A legal arbitration decision on May 31, found that although both the urban and RSMC letter carriers are hired with similar capacities to work and are expected to do similar work delivering mail, a significant wage gap exists between them.

In her decision, the arbitrator failed to impose any corrective action on the corporation to remedy the

situation and instead instructed the union and Canada Post to continue negotiating and, if no agreement was reached by August 31, the arbitrator would decide the award. Both parties are awaiting her decision on the amount.[1]

The corporation's \$242 million loss figure is an estimate of what the amount will be to compensate the RSMCs for years of discrimination and violation of their right to wages and benefits comparable to those received by their fellow urban mail carriers. In fact, even though the corporation has declared an accounting loss, they have not paid one cent in compensation to the workers.

All the bluster by Canada Post, with the help of the monopoly media, about a "severe financial loss," is a feeble attempt to cover up that for years Canada Post has violated federal pay equity laws and not only underpaid RSMCs but also imposed onerous working conditions on them and deprived them of benefits to which they are entitled.

Even though the chickens have now come home to roost and pay equity is the law, Canada Post still claims that paying workers wages and benefits that they have a legal and moral right to receive will result in "great financial difficulty" for the corporation. According to the anti-social outlook of those who control Canada Post, the workers who produce all the value from moving letters and parcels from point A to point B are a debilitating "cost of production." This backward outlook has been evident throughout the pay equity struggle and in all the negotiations for collective agreements with CUPW.



The leaders of the corporation must be severely condemned for this publicity stunt of a second quarter loss and making this an issue in the current contract negotiations. These anti-social leaders want to punish all postal workers for the compensation the corporation must pay for its long violation of the rights of RSMCs. This must not and will not pass!

Postal workers are an important section of the Canadian working class. Postal workers, with the militant support of their communities, are determined to hold the corporation to account for the many years of injustice faced by RSMCs. Canadians reject the shameless negotiating tactics of the corporation executives who refuse to take responsibility for their discrimination against RSMCs and instead declare the rightfully owed compensation a "loss" and use it as a weapon in the current negotiations. Despicable and unacceptable! Stand united for a contract acceptable to all postal workers.

## Note

1. See article "[Arbitration Fails to Resolve Decades of Injustice Suffered by Rural Suburban Mail Carriers](#)," *Workers' Forum*, June 19, 2018.



For Your Information

## State of Negotiations between CUPW and Canada Post

Negotiations between the Canadian Union of Postal Workers and Canada Post broke down at the end of June. In the first week of July the union received notice confirming the appointment of two conciliators and the start of the conciliation period.

The *Canada Labour Code* provides for a 60-day conciliation period which, according to the time lines, ended September 4. This period can be extended if both parties agree.

Conciliation is to be followed by a "21-day cooling off period," which would end September 25. Following this, the right to strike or lock-out according to the *Labour Code* would be obtained one minute past midnight on September 26.

On September 7, the union received global offers from Canada Post for both the Urban Operations and RSMC negotiations. The union said the corporation's proposals are "unacceptable and disrespectful" and that the global offer is full of rollbacks and "Trojan Horses."

The union recently conducted a nation-wide strike vote of its members in all the locals. The union announced the results of the voting on September 9 saying 93.8 per cent of urban postal operations workers and 95.9 per cent of rural and suburban mail carriers voted to strike if an agreement cannot be reached with Canada Post.

A bulletin from the union states that the negotiating committee is meeting "to determine the next step to respond to Canada Post's global offer."



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### Burnt By Phoenix Pay System

## Federal Public Service Workers Demand: Fix the Pay System Now!

- Peggy Askin -



Federal public service workers represented by the Public Service Alliance of Canada (PSAC) confronted Prime Minister Justin Trudeau as he arrived for a fundraiser in Edmonton on September 5. They denounced him for the government's refusal to take the necessary action to solve the ongoing problems created by the Phoenix pay system. The workers held a lively rally, to bring home their message: Fix the pay system now! It is not enough for the government to acknowledge the problem and say it understands the hardships it has caused; it must take serious action to fix it now!



Marianne Hladun, PSAC Regional Executive Vice-President, Prairies, explained the aim of the rally: "Federal public service workers haven't been paid properly for almost two years now and when we heard that the prime minister was going to be in town, we thought that it was important for him to actually see the faces of the people that he's not paying."

On Canada Day, PSAC launched a national campaign to "highlight the remarkable commitment of federal public service workers who continue to provide critical services to Canadians, despite more than two years of Phoenix pay problems." PSAC says that Phoenix has had a terrible impact on the lives of federal public service workers, who are facing endless stress including missed paycheques and the fending off of debt collectors. Despite the hardships imposed by the Phoenix pay fiasco, "Our members continue to come in to work every day because they truly care about Canadians and the services they provide them," said Chris Aylward, PSAC National President.



More than half of the 290,000 federal public service workers who are paid through the Phoenix system have been underpaid, overpaid or not paid at all, with 577,000 outstanding pay issues. They may go weeks without pay. If they are overpaid, PSAC points out, the government claws back the "gross amount" not the net amount after taxes and other payroll deductions have reduced the gross amount thus causing even more difficulties. Workers have yet to receive any compensation owed to them for damages done, or assistance to those in financial distress.

The Harper government hired IBM to replace the existing pay system, claiming that this would "save" \$70,000 a year by eliminating large numbers of in-house federal workers; instead, it is estimated that the bill to fix Phoenix will top \$1.2 billion in addition to the hardships. The IBM implementation was rushed through government approval despite unmistakable indications that it was not ready to launch and without proper testing, and despite the demands by PSAC to delay the second phase of the implementation.

*Workers' Forum* calls on Canadians to support the demands of the federal public service workers to fix the pay system now, and oppose more pay-the-rich schemes where private interests are paid millions at the expense of the workers and the services they deliver.



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## PSAC Campaigns for a Fix to Phoenix Pay System



*Workers' Forum* spoke with Marianne Hladun, PSAC Regional Executive Vice-President, Prairies, about the union's campaign and the government's response. Hladun explained that the government says it is working on the problem and understands the impact on people, but the government has not followed through on the promises it has made. The government needs to take this seriously and fix it, she said.

Hladun explained that the government has now announced its intention to scrap the Phoenix system and contract with yet another private corporation for a new system. The new Request for Proposals (RFP) does not close until August 24, 2020, two years from now. This means it will be more than two years before a company is even chosen and work begins to design the new system. "It is ridiculous," Hladun said. "It is all band-aids and public relations. The government can say they have issued an RFP, but our people are still not getting paid, or if they are, are underpaid or overpaid."

Professional Institute of the Public Service of Canada President Deb Daviau is calling on the federal government to try the Canada Revenue Agency's system while waiting for a replacement for Phoenix to be developed. Alternative systems are already readily available within government that hold the potential to be adapted to the entire federal civil service, Daviau has pointed out.



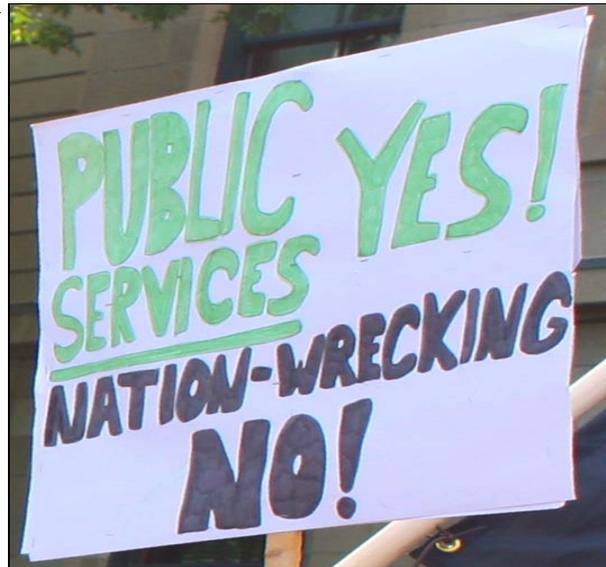
## Wrecking of Canada Must Not Pass!

# Spirited Picket in Calgary to Oppose Greyhound Bus Shutdown and Explore Solutions



Calgarians held a picket and lively discussion on Labour Day to oppose the impending shutdown of Greyhound bus routes in western Canada and Northern Ontario and discuss solutions.

Greyhound Canada announced in early July that by October 31, it would be shutting down all of its bus routes in western Canada and Northern Ontario with the exception of one route in BC. These cuts to service amount to nation-wrecking. They will eliminate a vital transportation link for many Canadians in rural areas, including many of society's most vulnerable people. Furthermore, 450 Greyhound workers represented by Amalgamated Transit Union (ATU) Local 1374 will lose their jobs.



Organizer Nicole Montford began the picket by stating, "Buses are an essential service that keeps people and communities connected. In a very real way, these cuts make our world smaller by keeping our cities and towns more and more isolated."

Montford spoke further about the necessity for Greyhound to meet the needs of seniors, including those who require medical care only available in large cities, Indigenous peoples who need safe and reliable transportation, and students who depend on public transportation to attend school and return home. She called on the federal government to meet with ATU representatives and to find a public solution to meet the needs of rural communities across western Canada and Northern Ontario.

After the opening remarks everyone was invited to speak, and almost everyone had something to say in defence of Canadians' right to safe, affordable bus transportation. Speakers provided examples of how necessary national and regional bus links are to the Canadian working people. A young Métis woman elaborated on how important this bus service is to Indigenous peoples, saying they need improved transportation service so that there will not be another Highway of Tears. The Trudeau government likes to talk about reconciliation with Indigenous peoples, but real reconciliation requires concrete actions on this and other issues, she said.

Another person raised the issue of how critical national and regional bus service is to the economy, a vital link allowing people to reach their potential and contribute as full members of society.



Activists from CPC(M-L) pointed out that foreign-owned monopolies have no stake in our country. They view the people and their economy as an object to exploit for their narrow private interests. They should not be allowed to make important decisions that wreak havoc with people's lives and adversely affect the economy such as the Greyhound shutdown. The people must be the ones to decide both the direction of the economy and what means of transportation are necessary for its extended reproduction and to fulfil the demands and needs of Canadians.

Canada is one country; monopoly transportation companies should not be allowed to exploit the most profitable routes between major cities to the neglect of the rest of the country. Revenue from service on the profitable routes should be used to subsidize those routes less travelled. Canada after all is an immense country. Why, for example, not explore the possibility of working in tandem with Canada Post to service remote communities combining the increased delivery of parcels with greater public mass passenger travel? Working people who see the necessity for safe public mass transportation, which has trained professional workers at the centre and heart of a modern integrated economy, should be put in charge and control. Working people with a stake in our communities and who have an outlook of serving the general interests of society can find solutions to our problems that favour the people and the humanizing of the social and natural environment, the CPC (M-L) activists said.

Safe and affordable mass transportation across Canada is a basic right. Discussions regarding solutions to the Greyhound shutdown reflect the workers' striving for empowerment and the defence of people's rights and the dignity of all.

***Whose Economy? Our Economy!  
Who Decides? We Decide!  
Stop Paying the Rich! Increase Funding for Social Programs!***



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## **Remarks by Nicole Montford at Calgary Picket to Oppose Greyhound Shutdown**

[...] I want to give a shout out to our friends in Winnipeg who organized an event at their Labour Day March and BBQ. It is fantastic that we have two events happening in two different cities in two different provinces today. I think it really shows that we are not alone, and that many other people across Canada are concerned.



So as you all know, Greyhound announced in July that they are going to be cutting service in western Canada by October 31. Like public transportation in cities, buses are an essential service that keeps people and communities connected. In a very real way, these cuts make our world smaller by keeping our cities and towns more and more isolated. Additionally many of our society's most vulnerable people depend on buses for connection between communities, and to access critical services that are only available in larger urban centres.

For example, seniors often require medical care from specialists that are only available in larger cities. If there is no bus service, then these seniors

need to decide between leaving their communities and getting the care that they need. This is a choice that no one should have to make.

Indigenous women are also put at risk by these choices. The interim report of the National Inquiry into Missing and Murdered Indigenous Women clearly states that a lack of safe, affordable, and reliable transportation is one of the major contributing factors. This is a noted problem already, and these closures are only going to make it worse.

Students are also impacted. While many students attending post-secondary are from cities, there are many who come from rural communities. Rural students should not have to choose between their futures, and visiting their families.

It is now September and no plan has been announced by the federal or any provincial government to deal with this looming transportation crisis. The federal government has yet to meet with ATU representatives. Greyhound has shown the failure of the market to provide this essential service. That is why we are here today.

We are calling for government action on this issue. A public solution is needed to provide transportation not just between our larger cities but to all of the rural communities that make up western Canada and Northern Ontario.



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