



Bargaining Bulletin

CAW Local 555, Unit 1

Issue #7 June 17, 2009

Your team..

Barry Diacon
Unit 1 Chairperson

Angie Bijak
Unit 1 Workplace
Committee

Beth Couchman
Unit 1 Workplace
Committee

Chris Due
Unit 1 Workplace
Committee

Helen Murray
Unit 1 Workplace
Committee

Ron Smith
CAW National
Representative

Matt Root
Local 555
President

Mike Groom
Local 555
Executive Assistant

Cara McDonald
Pension and Benefits
CAW National

Peggy Nash
Executive Assistant,
CAW National
President

CAW Members Meeting

On Tuesday, June 16, 2009, just under 700 Members of Unit 1 of our local held a meeting at the Burridge Gymnasium on the main McMaster campus. The speakers were Peggy Nash, Executive Assistant to the CAW National President, Ken Lewenza, Jim Stanford, CAW Economist, and Ron Smith, chief spokesperson for the Unit 1 bargaining team and a CAW National Representative.

Peggy Nash spoke of the general issues that have kept cropping up in negotiations with many other employers – in particular, the desire of employers to block new entrants to defined benefit pension plans. She pointed out that the CAW has not agreed to this demand from employers in much more dire circumstances than McMaster's.

Jim Stanford presented an informative review of the recent economic crisis and the importance of maintaining solidarity among all of our Members, including across generational groups. Jim made it clear that the "crisis" is not with the real economy but with the economy of money speculators. It is very important to not start down the road of no new entrants to the pension plan because the pension plan for the current Members will eventually become financially unsustainable and with more and more new Members having no defined benefit pension plan, the membership will be split and there will be no support among the new Members to defend the higher benefit of the older Members.

Ron Smith reported on behalf of the Negotiating Committee that the Employer has made numerous negative and adverse demands in bargaining including:

- no new entrants to the defined benefit Salaried Pension Plan and its replacement for these employees with an inferior Group RRSP (i.e. that has NO guaranteed level of benefit when these employees retire) and placing our present Plan in jeopardy;
- move from Rule of 80 to Rule of 85;
- increased pension contributions;
- no post-retirement health and dental benefits for new hires;
- no across-the-board salary percentage increases for the life of a 3-year agreement, as we have seen in the past;
- minimal salary increases in the form of "lump sums" for Step 10 in year 1 and 0% to 2% in years 2 and 3 for those above Step 4.

Ron Smith also reported that the Union has proposed modest ATB and benefit increases over 3 years in keeping with the past history at McMaster and other groups at McMaster and similar jurisdictions. The Union also proposed some creative suggestions to deal with the University's current pension funding situation.

CAW  TCA
Local 555

CAW TCA

Local 555

Past negotiations with the University have normally proceeded with decorum and a sophisticated recognition of the established processes and rhythms of labour negotiations. In fact, as recently as the June 7 Daily News, the Chair of the Administration bargaining team said that “the progress made to date lays the groundwork for focusing on the remaining issues. The tone of the discussions with the CAW has been positive and productive. Together, we’ve been able to sign off on a significant portion of the agreement.”

In the June 12 Daily News article, however, we saw the Administration team displaying surprise at a process that is well known and which they had positively approved as recently as five days earlier. Namely, that negotiations focus first on non-monetary matters and, only after having reached agreement on the items for which it is easier to achieve mutual agreement, do the parties proceed to the items where there is little common ground. And, in fact, the Administration acknowledges that the parties have made substantial progress, having reached tentative agreement on about 80% of the non-monetary issues. Were we to proceed in the opposite fashion, to table the monetary proposals immediately, the focus of bargaining would inevitably shift totally to these matters to the exclusion of the items where the parties might more easily reach agreement.

On Monday, June 15, more language was signed off, bringing the total to about 90% of the total collective agreement.

It is the case, as the Daily News of June 12 reports, that the University tabled its initial monetary proposal in early May. The Union believed at that time that the Administration team was trying to force the parties to an early impasse. The Union team chalked this tactic up to the inexperience of the Administration team.

The Administration is seeking to use the general economic crisis as a wedge to convince our Members to accept a fundamental and historic reduction of our real wages, pensions, and benefits. The University is not in a budget crisis, the students are banging down the doors to get in to our university, provincial and federal stimulus money is flowing in great quantities, the markets have rebounded about 40% from their lows in March 2009, and more and more research funds are finding their way to McMaster. Some management persons may try to scare our Members with statements of potential layoffs, none of which is true.

After the presentation at the meeting, we have confidence that our Members will see past these tactics. We have confidence that our Members will see past the mis-information splashed on the Administration’s web pages. The Administration’s public positions are not conducive to the parties reaching an agreement, but we will get there nevertheless.

The health of our Members and of McMaster itself depends on us holding firm to our Members’ goal for the wages, pensions, and benefits that our hard-working membership deserve.