

# CUPE WIRE

Official Publication of the Canadian Union of Public Employees, Local 38  
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## Who Benefits?

On January 11<sup>th</sup>, ENMAX informed CUPE and IBEW that the employer was unilaterally changing your benefits plan. Although all parties are signatories to a Letter of Agreement that establishes a Benefit Oversight Committee; and the letter requires consensus for any changes to the benefits plan, ENMAX has informed the Unions that they intend to ignore this letter and unilaterally change the plan.

The Letter of Agreement #1 was a central issue in bargaining two rounds ago. ENMAX wanted to eliminate the letter, and CUPE resisted this demand. Our concern was that ENMAX would simply make unilateral changes to the benefits plan without any negotiations or input from us. ENMAX withdrew this demand after our members voted overwhelming for a strike mandate.

It appears now that what ENMAX could not achieve in bargaining, they are now attempting to take. In the last round of bargaining, ENMAX acknowledged at the table that Letter of Agreement #1 was a sensitive issue, and made no attempt to modify or withdraw it. Now, after only one year into a collective agreement, ENMAX has made a move that is tantamount to ripping up the letter.

All of this, of course, begs the question as to what are the changes proposed by ENMAX? Over the past year, it has become apparent that ENMAX did a full review of the Health and Wellness plan. They chose not to include the Unions in this review, and they chose not to keep the Oversight Committee informed of any review or results.

On October 31<sup>st</sup>, ENMAX called a meeting of the Benefits Oversight Committee, and presented proposed changes to the benefits plan. Framed as a “good news story”, the employer proposed sweeping changes to every component of the plan. When asked by the Unions if this meeting was to simply inform us of the changes, or to seek consensus as defined in the Letter, ENMAX was unable to provide a clear answer. Both CUPE and IBEW requested further information.

*Continued on Page 2*

## Canada's top CEOs will make \$50K before noon on Jan. 2

If they were to live on the average worker's pay, Canada's CEOs could stop working at around 11 a.m. on Jan. 2 and take the rest of the year off. That's because by 10:57 a.m. on the second day of the year, their earnings will have already hit \$49,738, the equivalent of the country's average wage, according to research by the Canadian Centre for Policy Alternatives (CPPA).

Canada's CEO pay broke a new record in 2016, with the 100 top-paid chief executives of publicly traded companies netting \$10.4 million on average, or 209 times the average income, the CPPA said in its latest annual survey of chief executives' compensation. In 2015, the average CEO pay was \$9.6 million, or 193 times more than what the average Canadian made.

“Canada's corporate executives were among the loudest critics of a new \$15 minimum wage in provinces like Ontario and Alberta, meanwhile the highest paid among them were raking in record-breaking earnings,” the report's author, CCPA senior economist David Macdonald, said in a statement.

“CEOs are making 316 times more than someone who makes \$15 an hour. If shareholders can afford this year's CEO pay hike, they should absolutely be endorsing higher wages at the bottom as well.”

On an hourly base, CEO compensation was the equivalent of nearly \$2,490 per hour last year, the CCPA calculated. That was up from almost \$720 an hour in 2015.

Topping the national ranking of fat paycheques was Joseph Papa, CEO of Valeant Pharmaceuticals International, with total compensation worth over \$83 million, according to the report. Donald Walker of Magna International, a global automotive supplier, came in second, with \$28.6 million. Guy Laurence, former president and CEO of Rogers Communications, was third, with \$24.6 million.

Only three women made it in the top 100 ranking, showing that “the glass ceiling still exists in this elite club,” the CCPA said.

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*Continued from Page 1*

The changes include some reductions in the plan as well as some enhancements. Overall, it appears to be a mixed bag of changes. In most cases, ENMAX has proposed to reduce the Co-payment amounts and increase the monetary maximums. For example, currently ENMAX pays 100% of every paramedical visit up to a \$500 maximum. In their new proposal, the co-payment is reduced to 80% up to a \$1,500 maximum. What this means is that on every visit, you as a plan member will be required to pay out of pocket 20% of the invoice for services. ENMAX believes that since the maximum amounts are increased, this is an improvement to the plan.

It is important to note that co-payments are designed to impact each member on each visit. Under our current plan, no member will be out of pocket for visiting a paramedical provider (for example, chiropractor, massage therapist, etc.). Annual maximums only impact those plan members who are high volume users of the plan.

When asked about utilization rates --- how many plan members actually utilize the benefits and to what amounts --- ENMAX identified that only 1/3 of plan members actually reach their combined maximums. So this one change, as the example, negatively impacts 2/3 of the plan members.

One component that, on the face of it, appears to be a clear improvement is the dental coverage. ENMAX is proposing an increase co-payment from 80% to 90%, and an increase in orthodontic coverage of both the co-payments and maximums. While we were encouraged to see this change, we are cautious about this aspect being used as justification for the other concessions in the plan.

Because Alberta is one of the few provinces in Canada that does not have a legislated dental fee guide, insurance coverage is based on each insurance companies internal fee guide. As such, what we find over the course of time is that any increase dental coverage rates if often absorbed by subsequent price increases at the dentist's office. While we agree that this change is in the right direction, we are concerned that this does not outweigh the other negative changes to the plan.

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CUPE and IBEW have not been provided input or enough information to make a full, reasoned decision regarding the impacts of these changes. As such, we have not been in a position to arrive at consensus for this proposal. Unfortunately, ENMAX has announced their intention to move forward with this change without consensus.

Given the significant changes and impacts of the proposed changes, we are left with little option but to challenge ENMAX's decision to move on this proposal.

In order to more fully inform you, the member of the plan, CUPE is arranging a Town Hall meeting on January 18<sup>th</sup> to provide information and solicit your feedback.

**When: January 18, 2017  
6:00pm - 8:00pm**

**Where: Hotel Blackfoot - Ballroom (Main Floor)  
5940 Blackfoot Trail SE**

We encourage all members to attend to learn about the potential impacts on your benefit plan.



## THOUGHT FOR THE MONTH



You can't go back and change the beginning but you can start where you are and change the ending.

~ C.S. Lewis

# Get involved!

## REGULAR MEMBERSHIP MEETING

*All CUPE 38 Members Invited to Attend*



**When: Tuesday, January 23, 2018  
at 7:00 p.m.**

**Where: CUPE 38 Office,  
1439-9 Avenue SE  
Business: Regular**