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# CUPE WIRE

Official Publication of the Canadian Union of Public Employees, Local 38  
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## Why is the Economy Acting So Wacky?

Usually after a recession, economic and job growth surges back, making up for ground that was lost during the downturn. But this time we've had little of that.

Economic and job growth in Canada and around the world has been far slower than previous recoveries. Each year brings serial disappointment to economic forecasters when growth doesn't meet their expectations. And then the economy spits out numbers in directions that don't seem to make sense.

There are about a dozen theories or explanations for the slow economic growth. Our economy is going through major structural changes and remains highly unbalanced. Major economic measures aren't accurately reflecting these changes, nor do they reflect our underlying state of wellbeing.

Much of Canada's growth was fuelled by a resource, construction and consumer debt-driven spending boom that is fizzling out. Federal and provincial governments must now lead the transition with a progressive new direction to drive growth.

A major obstacle has been weak wage growth. Hourly wages have increased by an average of just 1.2 per cent so far this year, below inflation, which means real wage losses. Wage growth is being held back by continued public sector austerity and wage repression, "trade" deals that undermined workers' bargaining power, increasingly precarious work, and weak job growth. Many of the new work opportunities involve contract or "gig"-type jobs and activities like Uber that are undermining wages—and public revenues.

There are millions of opportunities in the transition to a greener, more sustainable economy. Good jobs with decent wages and benefits and improved public services must be at the centre of this new economic direction. We also need better measures and objectives for our economy; otherwise, our economy will continue to sputter along and make little sense.

## Alberta to Lead the Way

*Conference Board of Canada*

Alberta is poised to have the strongest economic growth in 2017 mainly due to fast-rising oil production, according to The Conference Board of Canada's *Provincial Outlook: Winter 2017*. Former leaders, British Columbia and Ontario, will see the pace of economic growth ease this year, but they will still deliver a solid performance.

"Following two tough years stemming from widespread weakness in the energy sector, Alberta's economy finds itself with the strongest economic growth this year. Along with a big increase in oil production, some of the growth in Alberta will come from the rebuilding efforts in Fort McMurray. However, we expect more subdued economic growth next year as oil prices are not expected to increase very much," said Marie-Christine Bernard, Associate Director, Provincial Forecast, The Conference Board of Canada. "Beyond Alberta, all provinces are forecast to see positive economic growth in 2017, with the exception of Newfoundland and Labrador."

Alberta's real GDP (gross domestic product) is forecast to grow by 2.8 per cent this year, the fastest among the provinces, with 0.4 percentage point coming from the rebuilding efforts in Fort McMurray. Also contributing to the province's growth is a more stable outlook for the energy sector following the recent OPEC agreement to cut oil production, which will allow oil prices to average almost US\$60 a barrel for the West Texas Intermediate by the end of 2018. Although investment in the energy sector will not be increasing at a fast pace, total exports are expected to increase this year due to robust oil production gains as new oil sands projects come online. Another positive development for Alberta down the road is the federal government's conditional approval of the Enbridge Line 3 Replacement project and Kinder Morgan pipeline.

## Annual General Meeting



As stated in previous editions of the CUPE Wire, to be eligible for the office of Business Agent, Vice President and Recording Secretary, members interested in running for these positions were obligated to announce their intention to run at the March Regular Meeting.

The following individuals declared their intentions to run and as such are the only candidates for the following positions:

1. Business Agent
  - *Sasha Wallis*
2. Vice President
  - *Kim Jaedicke*
3. Recording Secretary
  - *Cherise Stock*
  - *Dee Lawrence*

Nominations for five (5) Executive Members for a two (2) year term and one (1) Trustee for a three (3) year term will be accepted at the meeting. To be eligible for these positions, you must have attended at least five regular meetings in the past year.

## THOUGHT FOR THE MONTH



**“Excellence is never an accident; it is the result of high intention, sincere effort, intelligent direction, skillful execution and the vision to see obstacles as opportunities”**

## International Day of Mourning

### April 28, 2017

April 28<sup>th</sup> is observed around the world as a day of remembrance and a day of action to improve workplace health and safety.

Workplace deaths are a crime - they must be stopped. Workplace accidents and occupational diseases are preventable.



Please join the Calgary and District Labour Council for the International Day of Mourning Wreath Laying and Memorial Service on Friday, April 28, 2016 at 12:15 pm at the City of Calgary Workers Memorial - Edward Place Park, SE corner of City Hall, 9th Avenue & Macleod Trail SE.

## Send Your Kid to Camp!

The Alberta Federation of Labour is holding its 23rd Annual Kids' Camp, August 7—11, 2017 at the Goldeye Centre near Nordegg on Goldeye Lake.

The camp is open to kids ages **eight to fifteen** years. The camp goals are for kids to have fun in a positive and safe environment. Kids will develop problem solving skills and learn to work with others. Recreational activities are: canoeing, wall climbing, rappelling, group challenges, crafts and swimming.

A motion to sponsor four (4) children will be going to our April Regular meeting. If you are a card carrying member of CUPE Local 38 and wish to have your child sponsored, please send a letter to the union office stating why you would like to send your child.

You can send your letter by internal mail to mail code #132, email to [office@cupe38.org](mailto:office@cupe38.org) or fax to (403) 290-1757. Deadline to submit your request for sponsorship is Friday, June 2, 2017. We will decide who should receive the sponsorship by **June 7th**, so get your letters in soon.

If you don't wish to have your child sponsored but would like to make enquiries to send your child, contact the Alberta Federation of Labour at 780-483-3021.



**Honours our 2016 Retirees  
On Saturday, June 17, 2017  
6:00 pm—12:30 am  
At the Calgary Winter Club  
4611-14 Street NW  
For our Annual Banquet  
Tickets are \$25.00 each  
Contact the Union Office  
at 403-233-2700  
to reserve your ticket  
All Members Welcome**

## Pension Plan Turn Around

Rising stock prices and bond yields are restoring pension funds to stronger health. Canadian defined benefit pension plans achieved an average return of 6.8 per cent on their investments in 2016. Aon Hewitt's quarterly survey found the median solvency ratio for Canadian defined benefit pension plans reached 95 per cent on January 1, 2017, up 8.8 per cent from the previous year. While higher stock prices did the most to boost returns, rising interest rates and bond yields were responsible for most of the solvency improvement.

These stronger returns and financial conditions should help reduce pressure from employers for concessions to defined benefit pension plans – or their elimination. CUPE's new pension database shows almost 92 per cent of CUPE members have some type of registered pension plan at their workplace and two-thirds belong to locals with access to secure defined benefit pension plans.

## Benefits of Union Dues

Union dues are the way workers who have decided to form a union pool their resources to enable the work of the union. Union dues fund the cost of bargaining, the cost of enforcing the collective agreement and the cost of campaigns that union members vote to have their union to conduct.

No single worker could afford the cost of taking a grievance to arbitration. No worker could survive a strike or a lockout without strike pay. Union dues help workers create their national strike fund to help them through these times.

Our dues are used to fund union priorities identified by the members. Examples of this include campaigns to defend against contracting out, or to protect pensions for all workers. Local 38 members have also decided that we need to have a strong defense fund for any round of bargaining.

In Canada, the union dues paid by all workers in a unionized workplace flow to certified unions as a result of a Supreme Court Decision, known as the 'Rand Formula.' It is this system of dues collection that is under threat from right wing governments and politicians at both the federal and provincial level.

The Rand Formula dates back to an arbitration decision by Canadian Court Justice Ivan Rand in 1946, which was part of the arbitration settlement that ended a United Auto Workers' strike at the Windsor, Ontario Ford plant.

At the heart of the decision was the recognition of the union as the bargaining agent for all workers at the plant. Justice Rand decided that union dues should be paid by all those who benefit from the union contract, not just the signed members of the union. Justice Rand saw dues check-off as fostering labour peace and a harmonious labour relations climate in Canada.

The Rand Formula establishes the legality of automatic dues check-off from all those covered by a collective agreement. This prevents "free riders," or workers who would benefit from the activities of the union but do not want to pay union dues.

All members of the union benefit from the wages and benefits negotiated in their collective agreement, the professional representation provided by the union and other benefits of membership. These activities are funded by the payment of union dues.

Unions have a legal duty to represent all of their members. Your dues ensure that your interests – and the interests of all members – are represented and defended, fairly and equally. It's only fair that everyone pays their dues.

# Get involved!

## REGULAR MEMBERSHIP MEETING

*All CUPE 38 Members Invited to Attend*



**When: Tuesday, April 25, 2017  
at 7:00 p.m.**

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

**Business: Regular & Elections**

### **Elections:**

1. Business Agent—2 year term—Full Time
2. Vice President —2 year term
3. Recording Secretary—2 year term
4. Five (5) Executive Members—2 year term
5. Trustee—3 year term