

**UNITING** *for TOMORROW*



**S'UNIR** *pour DEMAIN*

**CONVENTION - CONGRÈS**

**MAY 1-5 MAI 2023**

**TORONTO, ONTARIO**

# Report of the **National Executive Board**

Canadian Union of Postal Workers  
Syndicat des travailleurs et travailleuses des postes

**cupw • sttp**

# **REPORT OF THE NATIONAL EXECUTIVE BOARD TO THE 2023 NATIONAL CONVENTION**

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May 2023

This is the National Executive Board's (NEB) report to the 2023 National Convention. It gives an overview of what CUPW has accomplished in the 2019-2023 term, our ongoing campaigns and projects, and the challenges we can expect to face in the coming years.

Our Convention is the democratic forum where our Union reports on its activities during the past term, takes stock of our current situation, and makes the necessary decisions for planning the future.

It's always important to consider the specific context of each Convention. 2023 is already a busy year for CUPW on several fronts: At the time of finalizing this report (November 2022), we are preparing for another round of bargaining for the RSMC and Urban units – which includes both our rigorous process for formulating a program of demands, and an internal organizing campaign (Building Worker Power – more below) designed to build our collective strength to negotiate with Canada Post.

We also have external organizing campaigns on the go with private-sector employers, with significant focus on Bee-Clean and Gig Workers United. We are also preparing for a possible federal review of the postal service. All the while, we are dealing with external threats including a concerning global economic situation, the rise of aggressive private parcel services like Amazon, and difficult economic conditions for postal services worldwide as we all adapt to the digital economy.

Our Charter challenge of the 2018 back-to-work legislation is before the courts – once again we are responding to a violation of our rights by defending all workers' right to free and fair collective bargaining.

The new term is, at the same time, a time to be encouraged and determined: confident that we can continue to push employers like Canada Post to play a part in addressing the climate crisis; determined to be part of a wave of unionization and mobilization that takes on employers like Amazon; and to tackle increased mechanization and tech change in postal operations.

Have a great Convention. I look forward to healthy and respectful debates.

In solidarity,



Jan Simpson,  
National President,  
On behalf of your National Executive Board

## **1. Day-to-day Work**

We've paid attention to ensuring the day-to-day effectiveness of the NEB and the NEC in this term, because there have been some unexpected challenges.

Primarily, the COVID-19 pandemic required us to adjust most of our planned work: Soon after Convention 2019, the National Executive Board held a facilitated strategic planning session to build an action plan for the term. Many of the items below are updates on elements of that plan and what was accomplished in the term. However, less than a year into that action plan, the COVID-19 pandemic and the public health measures designed to contain it began to take effect. Some of our planned activities had to be put on hold, and we had to find new ways of carrying out others. Initially, the pandemic was expected to last only a few weeks. Thinking that we just had to suspend some projects for a very short time, and then gradually learning that the pandemic would have lasting effects, required us to revise our plans on an ongoing basis, as well as dealing with how to protect members.

We adapted to pandemic conditions and shifted to remote meetings and new tools. National and Regional offices took advantage of online meeting technology to continue our own work, and also in some cases to keep in touch with the membership while we could not visit workfloors. Nobody had it easy during the time of pandemic response measures, but we ensured that the NEB and the NEC could continue meeting to keep the Union and the National Office functioning. This lasted for far longer than initially expected, eventually including running an unprecedented online vote to ratify the renewal agreements for the Urban and RSMC bargaining units.

We also experienced turnover in several NEB and UR positions, which required us to adapt, pay attention to leadership development, and fill those positions, all while ensuring that CUPW's ongoing work and decision-making functions were covered as files changed hands.

## **2. Accomplishments of the 2019-2023 Term**

### **MacPherson Award**

The federal government appointed Arbitrator Elizabeth MacPherson to carry out the arbitration process imposed by Bill C-89 (the 2018 back to work legislation).

During this term, both CUPW and CPC made presentations and rebuttals before MacPherson. The Arbitrator rendered her decision in June 2020 and CUPW began implementing the new contract.

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The decision awarded several of the things CUPW had been demanding in bargaining, including wage increases and a continued COLA that helps protect us against effects of inflation; temporary workers moving through the pay scale for every 1000 hours worked; an increase to the union education fund; absence coverage for RSMCs; post-retirement health benefits for RSMCs; measures to reduce overburdening and unwanted overtime; some improvements to the STDP appeal process; among others.

### **Negotiations with CPC**

The Urban and RSMC collective agreements were both set to expire during this term – January 31, 2022, for the Urban unit and December 31, 2021, for the RSMC unit. In 2021, we began the process of formulating demands and appointed Chief Negotiators – Sister Lana Smidt for the Urban unit and Sister Nancy Beauchamp for the RSMCs, and then appointed bargaining committees.

Then Canada Post Corporation brought proposals to CUPW to renew the existing collective agreements for a two-year period. The NEB considered these proposals carefully, delegating Sisters Smidt and Beauchamp along with Sister Jan Simpson and Brother Carl Girouard to meet with CPC to address specific issues within the renewal and providing updates throughout the process. In June of 2021 the NEB unanimously recommended that the membership support the resulting agreements and proceeded to a ratification vote.

This was CUPW's first ever online ratification vote. The renewal agreements were both ratified, the Urban agreement by a yes vote of 66.3% of votes cast, and the RSMC agreement by 55.5% of votes cast.

These renewal agreements will expire within the first year of the 2023-2027 term, and we are preparing for new rounds of bargaining, as further discussed below in *Section 4 – Future Challenges*.

### **Pay Equity Award Outstanding Items**

Though the RSMC pay equity process concluded in the previous term, Sister Barb McMillan, Sister Nancy Beauchamp, and Brother Carl Girouard continued to settle some of the implementation of the award, including retroactive payments, well into this term.

### **CUPW's Financial Situation**

Changes during this term and effects of the COVID-19 pandemic leave CUPW in a sounder financial position that it has been in quite some time. Members will find more information in the report of the National Secretary-Treasurer.

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## **Health and Safety – COVID-19 Pandemic**

Our priorities during the global pandemic of COVID-19, declared in March 2020, were:

- a) to protect, as much as possible, the health of our members at work – and those who could not be at work because of COVID – and:
- b) to minimize transmission of the virus in our workplaces so that we could continue to provide the vital service that helped so many people stay home and isolate during the first few waves of infection.

There were numerous outbreaks of the virus declared by public health authorities in our workplaces.

Health and Safety Committees, National and Local, stepped up to meet the challenge of the pandemic. Notably, some local committees took over contact tracing for positive cases among our membership after many public health authorities became overwhelmed and stopped doing it.

Several factors contributed to our members' ability to help minimize transmission of the virus. Quarantine Leave and Special Leave provisions in our collective agreements were available to members who had positive or presumed positive cases. We also negotiated with CPC and gained high-risk leave for members who were immunocompromised or otherwise at greater risk of catching or transmitting the virus or of becoming gravely ill if they were exposed.

Apart from these CA provisions, CUPW and CPC worked bilaterally on the provision of personal protective equipment, deep-cleaning practices, social-distancing guidelines, face coverings, and rapid testing in workplaces to help keep the virus out of the workplace. We also worked hard every day to update the membership on the frequently changing regulations and state of the pandemic.

When the federal government declared a vaccine mandate for all federal workers, Canada Post Corporation followed suit with a practice that required employees to declare their vaccination status, and eventually to report to the workplace only after being fully vaccinated (with two shots of vaccine). While CUPW encouraged vaccination against COVID-19, we also filed a grievance on behalf of members who were adversely affected by aspects of the vaccine practice. We were unable to get a cease-and-desist order on that, and eventually lost that grievance in arbitration, so many members who did not get the vaccine were placed on leave without pay. Those members have since had the option to return to work in summer of 2022.

Despite all these measures, thousands of CUPW members contracted the virus and two died after getting sick with COVID-19. We mourn these losses, and it gives us renewed determination in our Health and Safety work.

We were also concerned with the health and safety of our Private Sector Bargaining Unit members, especially for those providing front-line services (like first responders, couriers, and cleaners for example), though these members didn't have access to the same collective agreement provisions for things like Quarantine leave.

Overall, the National Executive Board is confident that our actions during the pandemic saved lives, helped flatten the curve, kept runaway transmission from threatening the postal service itself, and made CUPW a part of an effective response to the pandemic.

Numerous other Health and Safety topics will be covered in the report of the National Grievance Officer.

### **International Labour and Solidarity Work**

Even when meetings moved online, we were able to continue our international work.

With UNI Global Union, we attended virtual meetings and shared information about our vision of a post office of the future, discussed how to fight the attack for Amazon and other parcel companies, the importance of organizing and how to keep the postal sector growing. In September 2022, Sister Jan Simpson was elected President of UNI Americas Post & Logistics.

During this term, Brother Dave Bleakney and Sister Julee Sanderson represented CUPW in delegations to the United Nations Climate Change Conferences (COP) 26 and 27, to advance our commitment to addressing climate change, to Just Transition principles, and to the *Delivering Community Power* vision.

We also continue in our work as an ITF affiliate (International Transport Workers' Federation). ITF is part of the COP delegations and is an important resource on organizing in the gig economy – particularly the delivery sector – around the world. Both ITF and UNI have been supportive of our Gig Workers' United campaign.

Supporting work with international postal worker unions, our International Postal Fund is set out in Appendix R of the Urban collective agreement. It is a negotiated fund, to be used for international solidarity work – that is, to build relationships with and collaborate with postal workers and their unions from other countries.

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Pandemic restrictions on travel for the majority of this term made our Appendix R funded International Solidarity work more difficult, but we have been able to continue projects in Colombia, Venezuela, Africa, and Palestine. More detail appears in the report of the National Union Representative under the direction of the NEC.

### **3. Ongoing Work**

#### **Charter challenge of C-89**

Our goal is to once again defend free and fair collective bargaining as guaranteed by section 2(d) of the Charter of Rights and Freedoms and affirmed by the courts. We won the previous Charter challenge against the Harper government's back-to-work legislation, but this legislation differs in its content, and potentially raises the standard to discourage violation of our charter rights.

Both parties have submitted evidence, and CUPW has submitted response affidavits to Canada Post Corporation's and the Federal government's evidence.

Our position is that violating our constitutionally protected bargaining rights was not justified: i.e., that there was not a threat to the economy sufficient to justify it. The legislation was publicly justified on the basis of an alleged mail backlog that turned out to be fictitious. CPC exaggerated the backlog and the amount of time it would take to clear in order to provoke the federal government to intervene by way of back to work legislation.

#### **Changes in the working conditions at Canada Post (tech change, staffing, etc.)**

Canada Post Corporation is continuing an incremental project of automation and tech change in workplaces. Effects on working conditions including Staffing and Health and Safety are discussed in the reports of the 4<sup>th</sup> National Vice-President and the National Grievance Officer.

#### **Building Worker Power**

In August 2022, the NEB approved Building Worker Power, a readjusted campaign to organize our work floors in advance of the next round of bargaining with CPC, and to increase our capacity to enforce our CA provisions between bargaining rounds as well. This is discussed in depth in the 3<sup>rd</sup> National Vice-President's report.

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## **External Organizing – Foodora / Gig Workers United**

This term featured an organizing victory unlike any other, which culminated in an overwhelming yes vote (88.8%) for representation by CUPW at the Ontario Labour Relations Board. Prior to this, Labour had been searching for years for a way to have success organizing app-based couriers, and couriers themselves were organizing from the ground up. However, just before the results of the vote were counted and released, the employer Foodora left the Canadian market. The organizing work nonetheless had positive effects for the workers and for CUPW.

The back story: A group of Foodora couriers who had been organizing their workforce approached CUPW in 2018, and we developed a campaign that launched in May of 2019. Foodora couriers attended our last national convention, and we took to the streets together as part of their campaign.

We built up to the point where we could file for bargaining agent certification in August 2019. As noted above, before the ballots were counted, Foodora left the Canadian market, but our organizing drive put the workers in a position to negotiate a settlement with Foodora for abandoning them without severance during a pandemic.

Many of the same group of workers launched Gig Workers United in 2021, aiming to sign up workers for all apps in the GTA. The GWU model is community unionism and a different organizing model from what CUPW has practiced in the past.

Members will find more information on Gig Workers United in the 3<sup>rd</sup> National Vice-President's report.

## **Delivering Community Power**

The Delivering Community Power Campaign has been through several iterations of its branding and messaging, as well as resources. During this term, we again appointed coordinators to advance the campaign. Also, during this term, we have seen Canada Post move to implement several of the campaign's elements, including steps toward postal banking, electric postal vehicles, and community hubs.

More on Delivering Community Power and its next phase is in the 3<sup>rd</sup> National Vice-President's report.

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## **First Responders**

In early 2020, we created a campaign for our Emergency Medical Services – NS local, in response to a consultant recommending to the provincial government that they could deskill the EMS dispatch jobs, lowering the standard of care in emergency medical situations.

## **4. Future Challenges**

### **Negotiations with CPC**

We are gearing up for another round of bargaining with Canada Post Corporation for the RSMC and Urban units. The renewed Urban agreement expires January 31, 2024, and the RSMC renewal expires on December 31, 2023. We will serve notice to bargain, according to the CAs, within four months before expiry.

We released a discussion paper for demands prior to Convention. We will need to select Chief Negotiators and the Negotiating Committees in 2023.

### **Canada Post Mandate Review**

The last federal review of the postal service was in 2016. The Ministry of Public Services and Procurement has suggested that it will hold another review in the near future. We can't be sure, at the time of writing this report, whether it will be the Liberal government that does it, or a future Conservative government. This may make a big difference in terms of the framing of the review.

There is currently increasing discourse – in which CUPW is participating – on public banking, expansion and adaptation of public services, social resilience through public investment, and a growing sense that, as more than one recent conference put it, “The Future is Public.”

CUPW's objective is to advocate for an open, public review process where all of these can be brought into the discussion of the future of Canada Post, so that our positive vision for the future of the postal service can be fully presented and supported by our allies and the public. Deregulation, privatization, and cuts should not be on the table.

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## **Pension Plan**

The Canada Post Corporation Pension Plan is subject to both a ‘going concern’ test and a ‘solvency’ test that both look at its financial sustainability by different measures.

It remains CUPW’s position that the solvency test is not relevant to the CPC pension plan and the plan should be exempt. But the federal government still requires the test, and special payments into the plan by Canada Post when it is in solvency deficit.

During a period when the plan had a solvency deficit, CPC and the federal government both recognized that the requirement to make special payments could quickly deplete Canada Post’s cash reserves. The government granted solvency relief in 2020, and extended it in 2022, effective until the end of 2024.

Meanwhile, as the Bank of Canada interest rate rose in 2022, the solvency deficit decreased, largely because greater returns on investments increase the projected value of the plan’s assets.

Overall, the plan is in good health. It is protected in our renewal agreements, and CUPW continues to be committed to defend our defined benefit pension plan – we must prepare to fight for it.

## **Threats to the Post and Logistics Status Quo – Amazon, Gigification, etc.**

Postal systems worldwide are going through major changes. In recent decades, some have privatized or been partially deregulated, some have restructured their revenue with new services, and all have installed new tools and technology to cope with declining first class lettermail and a continuing rise in parcel shipping demand –driven by the shift of communications and retail services onto the internet.

Meanwhile, Canada Post is more exposed than ever before to the effects of competition from the private sector because of an increased proportion of revenues coming from parcels. At the same time, Amazon is investing in its own self-delivery capacity, and playing off its role as a customer of Canada Post and as a competitor at the same time.

Amazon is one of many transnational companies exploring the gig model of employment – denying people employee status, job security, and many basic rights just to cut their costs and avoid their responsibilities as employers. More and more, precarious working conditions become part of post and logistics.

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This fundamental transformation is the challenge of our era, but we are many, and we will meet it on several fronts: through negotiations with Canada Post, through external organizing, and through coalition work with other labour and civil-society groups domestically and internationally.

### **Global economic context**

There are many global issues that will affect our membership: wars; volatile energy/fuel prices; consumer price inflation, interest rates, and the threat of recession; transformation of postal services in the digital era; ongoing supply chain issues that began during the pandemic; ongoing effects of COVID-19; political and diplomatic instability and the rise of the far right. We are interconnected and interdependent. All of these will affect our livelihoods and our working conditions in different ways.

We realize that list may sound discouraging, but the labour movement is about encouraging one another and building up our spirits and our strength. We create hope through our collective power, and we build social, and workplace change when we stand united.

Workers' best defence against the turbulence of global capitalism is solidarity. The uncertainty all around just makes it more important for all workers to unite and demand protections from shrinking wages, demand respect and a democratic voice at work, and to organize unorganized workers so that we can lean on each other and pool our strength to make the world a better place to live and work.

That's why the Union exists, that's why worker democracy is so critical to a brighter future, and that's why we hold this Convention. Let's proceed in that spirit!

Solidarity!