

**Response of the Canadian Postmasters and Assistants Association
to Further Submissions of Canadian Union of Postal Workers**

No Serious Labour Relations Issues Related to Structure

1. In spite of the fact that one and one half years have gone by since the filing of the Application, there is no serious labour relations issue related to the bargaining unit structure raised by the Applicant in its letter of June 13, 2011. This is in spite of the fact that the CPAA has negotiated a collective agreement with Canada Post, and CUPW and the Corporation were involved in industrial action. This is a clear sign that the facts do not support the suggestion that the current bargaining unit structure is inappropriate for collective bargaining.

2. The initial part of the addendum filed by the Applicant points to economic conditions and technological and operational changes at Canada Post. It then states that the bargaining units must be merged to permit all employees to respond adequately to these changes. The Applicant submits, without a basis in fact, that the current bargaining unit structure tilts the balance in favour of the employer. Even if this were the case, which CPAA fundamentally and vehemently denies, that is not the purpose of s.18.1. It is not meant to allow, nor has it been interpreted as allowing parties to reopen and redraw bargaining unit lines with a view to adjusting power balances and or alleged imbalances.

CPAA Members Favour the Current Bargaining Unit Structure

3. As mentioned in previous correspondence with the Board, CPAA sent a form out to all of its members requesting that they respond to declare their wishes as to whether they wished to continue to be represented by CPAA. The response to

such a survey provides an indication as to whether its members believe they are members of a bargaining unit that is perceived to be functional. The results were received directly and tabulated by CPAA's auditors, Welch & Company. As of June 27, 2011, the results are as follows:

10,709	replies:
10,650	have signed supporting CPAA
16	were returned blank
38	did not sign the form
5	did not support CPAA

4. The results indicate a 90% response rate, which is significantly higher than average response rates for general satisfaction surveys. In addition, the virtually 100% favourable response total is an overwhelming indication that the bargaining unit structure is favoured by CPAA members. This result is the diametric opposite of the conclusion being suggested by the Applicant.
5. Since the Application was filed, as part of its ongoing communications with its members, CPAA offered them the opportunity to download and complete a document in which they described the significance of the Association to them. The document asks members to complete the phrase: "CPAA is important to me because" – "L'ACMPA est importante pour moi parce que". The responses underlined the members' sentiment that the current bargaining unit structure with rural representation in a separate union works for employees of the Corporation in rural Canada. In addition, although seeking power equilibrium is not part of the exercise in phase one of a s. 18.1 application, these responses made it clear that CPAA members saw the current structure as giving them the bargaining strength necessary to deal with labour relations issues at Canada Post.

Health and Safety Issues Were Resolved

6. The Applicant has suggested that CPAA and CUPW have ongoing issues about the selection of health and safety representatives (“Des problèmes importants persistent également autour du choix et de l’élection des représentants en santé et sécurité dans les bureaux de Post Canada où travaillent à la fois des membres de l’ACMPA et des factrices et facteurs ruraux et suburbains représentés par le STTP).
7. This suggestion is not true. The Applicant and CPAA were initially able to work out the requirements for the appointment or selection of health and safety representatives under the Canada Labour Code by dealing with an officer at HRSDC. They then negotiated a protocol for electing the representatives in offices where there are CPAA members and RSMCs.
8. Attached as Schedule A is a table setting out the steps the parties have taken to ensure the fair selection of health and safety representatives. The election process was the first time representatives had been selected on a post office-by-post office basis. All elections were conducted cooperatively. There were several areas across the country where questions arose after the procedural deadlines, but even those questions were resolved through discussion and agreement.
9. The fact that issues would arise about the best manner of selecting health and safety representatives is hardly surprising, as it would occur, whatever the bargaining unit structure. The choice of office-by-office elections is a practical solution that resulted from the cooperation of the parties. Far from demonstrating the inappropriateness of the status quo, the choice of health and safety representatives demonstrates that the current bargaining unit structure presented no significant obstacle to the effective and efficient resolution of issues that arise in the workplace.

Bargaining Demonstrates the Bargaining Unit Structure Continues to be Appropriate

10. During the most recent round of bargaining that concluded on June 4, 2010, CPAA resolved all issues by agreement with the Corporation. The only exception was that the parties asked Arbitrator Michel Picher to establish a wage rate for one year of the five-year contract. The negotiations, although difficult, resulted in an agreement that was acceptable to all concerned.
11. During the current round of bargaining for an agreement between the Applicant and Canada Post, the negotiations were acrimonious and led to a strike, followed by a lock out and back to work legislation.
12. There is nothing in these events that suggests that merging the CPAA bargaining unit and the CUPW bargaining unit would result in fewer labour relations issues.
13. The Responding Party agrees that, during its last round of negotiations, it accepted a system of short-term disability leave to replace the former sick leave provisions under the collective agreement. CPAA did so after evaluating the system, including its advantages and disadvantages, and determined that, overall, it would be in the best interests of its members. That issue was not sent to Arbitrator Michel Picher for final offer selection. CPAA accepts that CUPW has conducted a similar evaluation and come to the opposite conclusion, given the composition of the bargaining unit it represents. That does not constitute evidence, let alone proof, that labour relations are broken at Canada Post. If anything, it demonstrates the opposite. The current bargaining unit structure allows two different communities of interest to evaluate what are appropriate terms and conditions of employment and to negotiate those terms with the Corporation.

14. It is the view of the Association that this fact alone is significant evidence that the bargaining unit structure is working. CPAA negotiated a collective agreement and has the overwhelming support of its members (as referenced above). It is evident that the Association correctly evaluated the interests of its members. It is also clear that, under a different bargaining unit structure, not only would such a plan not have been accepted for the approximately 12,000 members of the Association's bargaining unit, but it would have been a strike issue, and an issue whose outcome remains unclear.

Modernization Issues

15. The Applicant has suggested that the current large-scale introduction of technological change will inevitably have an impact on CPAA members. If this is correct (and there is no indication so far that it is), it is not clear how modifying the bargaining unit structure will avoid the introduction of new technologies. The technological change in CPAA offices is of a different order. As an example, the last round of bargaining dealt with how to compensate employees who had decided to provide their own telephone lines in their offices.

The Application is Not about the Appropriateness of the Bargaining Unit Structure

16. The Applicant has recently studied its structure. In August of 2009, it received a report setting out many issues, including difficulties with its representation of members in small centres in remote locations. This report is attached as Schedule B. Among the conclusions are the following:

...the financial outlook is complicated and there are some storm clouds on the horizon. For the current mandate (2008-09, 2009-10 and 2010-11) the union

expects a net loss (expenses greater than revenues) of \$1million.¹⁶ Furthermore, the last convention voted a contribution of up to \$1M per year to the Defence Fund. In total, the potential shortfall could reach as much as \$4M for the mandate.

This clearly cannot continue for long. The union faces two options: finding other sources of revenues (including the possibility of raising dues) or reducing expenses significantly.

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Within six months following the Applicant's conclusion that it needed to find other sources of revenue, it filed the within Application.

17. In addition, the Applicant recognized its difficulties in representing members in small, geographically remote post offices within a large bargaining structure. The request to fold all bargaining units into a larger unit would add to the dysfunction set out in the Applicant's own report, rather than easing any current difficulties

Amalgamating locals doesn't in fact make them stronger – it just hides the weaknesses. Small locals are generally geographically remote from others. Putting 2 small locals "together" when they are actually 50 or 75 km from each other doesn't really strengthen them. Nor does "attaching" a small local to a bigger one which is far away. In fact, it usually amounts to a "takeover" which does not, in fact, encourage democracy in the small local.

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Comment: RSMCs feel they are treated as "second class citizens" by Canada Post and "second class members" by CUPW.
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Comment: The RSMCs were "dumped" on our local. It's a lot of work, and we don't have the resources to deal with it.

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As a result, the report considered the following recommendation:

Actively promote merger with the Canadian Postmasters and Assistants Association (CPAA), most of whose members work closely with RSMCs in rural areas.

PRO Would increase membership in CUPW
 Would reduce the isolation of RSMCs
 Would make it more feasible for locals to service remote areas

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18. This Application follows on the heels of a report suggesting that, unless it made some internal adjustments, the Applicant needed a source of additional membership and revenue. It also concluded that it might be able to resolve some problems it was having in satisfying the expectations and need of its rural members through operating efficiencies. The matter put before the Board does not result from an inappropriate bargaining unit structure, but is, rather, a way for the Applicant to deal with its own internal operational and structural issues.