TEAMSTERS CANADA RAIL CONFERENCE

CONFÉRENCE FERROVIAIRE DE TEAMSTERS CANADA

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TCRC PRESIDENT'S REPORT

A message from the President

Sisters and Brothers,

Our TCRC National Convention is coming up at the end of September 2022. This will be where the leadership, nominations for National Officers and the overall direction of Our Union will be determined by the delegates elected at your quadrennial division elections last January.

In regards to the national contract and dispute between the TCRC and CP Rail, final and binding arbitration is scheduled for August 12-15 in Toronto with Arbitrator Kaplan. The issues of wages, benefits and pension are the outstanding issues the arbitrator will rule on, as well as some work issues that will also be put to the arbitrator to form part of the final award.

Here is the latest on the Canada Labour Code Section 18.1 filed by Canadian National to combine 12 bargaining units and 16 collective agreements covering Conductors and Locomotive Engineers across Canada. On April 8, 2022 CN filed an additional application under the Canada Labour Code, Section 19.1 to hold CN CTY national bargaining in abeyance pending the CIRB ruling on the Section 18.1 application.

The CIRB subsequently requested that both parties (CN and the TCRC) consent to mediation in attempt to reach an agreement regarding the Section 18.1 application. The CIRB has not ruled on either of CN's applications nor has an agreement been reached as of the date of this report. As I have previously stated, this has the potential to be a very long process and your patience is appreciated in the interim.

This President's Report contains some legislative updates as well as the successful TCRC bursary applicants for 2022.

Fraternally,

Lyndon Isaak
President – TCRC

TCYC Report

President Isaak,

On Wednesday and Thursday April 27th and 28th, the TCYC met on zoom for the first time this year. This was a lobby meeting for not only railway issues, but also Teamsters Canada as a whole. We had three major ministers and federal government leaders agree to meet with us for these days. We met with Minister of Labour The Honourable Seamus O'Regan and Minister of Transportation The Honourable Omar Alghabra. At the last minute, Deputy Prime Minister Chrystia Freeland and her team did cancel on this meeting.

I had time in this meeting to speak with Minister Alghabra about Railway Safety and Fatigue and how we are still awaiting the governments regulations on this issue. We also as a team pushed for "Rail Industry Modernization". This is an issue we have begun to push more and more considering the industries archaic policies and practices and its hold on government through self-regulation. I'm sure I don't need to dive into the tragedy that happened at CP involving brothers Dockrell, Paradis, and Waldenberg-Bulmer, but it is a prime example of this issue. Ironically this meeting happened on the National Day of Mourning, and the ministers did join us in a moment of silence for these, and others who have lost their life or been injured on the job.

Other topics brought up by the committee was Labour shortage in the Transportation Industry, Protective Reassignment an Issue of paid leave for pregnant and nursing women, and Transitioning Workers due to Green and Advancement in Technologies (many teamsters are warehouse workers and this is on the forefront of their issues). Special attention was paid the gig economy and the protection of workers Health and safety.

These meeting over zoom function alright for the time, but our best weapon in swaying the government is the human aspect and experiences for the them to see, which is hard to convey over a camera and screen. I for one look forward to pulling out of this pandemic and returning to normal. For any questions or concerns about these meeting please do not hesitate to reach out to me.

In Solidarity,

Sheldon King

Rail Conference Representative - TCYC
President - TCRC Division 583

Important changes to the Canada Labour Code – UPDATE

In our last newsletter we reported changes coming to Part III of the *Canada Labour Code* that would introduce up to 10 days paid leave to treat a personal injury or illness. This was introduced with the passage of Bill C-3 which received royal assent on December 17, 2021. The Bill removed the provisions to treat a personal injury or illness from the provisions of Personal Leave and created a new leave entitled Medical Leave for this purpose. The remaining portions of Personal Leave remain intact, and the new Medical Leave provisions provide for up to 10 days paid leave per calendar year to treat a personal injury or illness. When these changes would take effect was undetermined and not defined in the Bill.

On June 23, 2022, Bill C-19 was passed and received royal assent. This Bill further amended the new provisions for Medical Leave as follows;

- An employee earns,
    - a) after completing 30 days of continuous employment with an employer, three days of medical leave of absence with pay; and
    - b) following the period of 30 days referred to in paragraph (a), at the beginning of each month after completing one month of continuous employment with the employer, one day of medical leave of absence with pay.
- An employee is entitled to earn up to 10 days of medical leave of absence with pay in a calendar year.
- Any unused Medical Leave carries forward to the next year but will not exceed the maximum of 10 days for any year.

The Bill also amends section 239 of the Code in which previously provided that if a medical leave of absence is three days or longer, the employer may require that the employee provide a certificate issued by a health care practitioner certifying that the employee was incapable of working for the period of time that they were absent from work. This is amended to read, the employer may, in writing and no later than 15 days after the return to work of an employee who has taken a medical leave of absence of at least **five consecutive days**, require the employee to provide a certificate issued by a health care practitioner certifying that the employee was incapable of working for the period of their medical leave of absence.

Bill C-19 stipulates these changes will come into force on a day to be fixed by order of the Governor in Council, but no later than **December 1, 2022.**

Some regulatory changes will be made this Fall to support these changes to the Code, further updates will be provided as they become available.

Don Ashley

National Legislative Director

2022 TCRC National Bursary Program Recipients

The TCRC recognizes the importance of education and in 2008 established an annual bursary program. Details of the program:

1. Twenty (20) bursaries are awarded annually valued at five hundred dollars ($500.00) each.

2. Each bursary is paid directly to the Canadian Post-Secondary Education Institution.

3. A spouse, child or grandchild of an active TCRC Member is eligible to apply for the annual bursary.

4. Bursaries are not available to family members of National Officers or staff.

5. Each application for a bursary must be accompanied by a 500-word essay, typed, double spaced and 12 font size.

6. Bursary is not carried over to the next year.

7. Eligible applicant must be enrolled and accepted into a recognized and certified Canadian Post-Secondary Education Institution.

8. Deadline for applications is May 31 annually. The application and essay must be received by mail or email in Ottawa by the May 31 deadline.

9. All decisions on the selection of successful applicants are final.

Subject of the essay:

"Do you think the current work environment has increased the role and need for labour unions?"

Ashley T.	**Simon Fraser University**
McKenna C.	**Nipissing University**
Hannah J.	**Saskatchewan Polytechnic**
Makayla C.	**University of Alberta**
Jamie H.M.	**University of Alberta**
Georgina D.	**University of Regina**
Samuel J.	**Red River College**
Shane K.	**H + Co Academy Esthetics**
Brynn E.	**University of Manitoba**
Joshua K.	**University of Alberta**
Nicholas S.	**Fanshawe College**
Barbora S.	**Athabasca University**
Brooklyn B.	**University of Alberta**
Katelyn J.	**Lethbridge College**
Mackenzie S.	**University of Lethbridge**
Elisabeth C.	**Ryerson University**
Kelsie F.	**University of Saskatchewan**
Jasmeen A.	**University of Alberta**
Abby M.	**St. Francis Xavier University**
Kaia G.	**Douglas College**

TEAMSTERS RAIL

TEAMSTERS CANADA

BROTHERHOOD'S RELIEF and COMPENSATION FUND
PROTECTING U.S. AND CANADIAN RAILROADERS SINCE 1912
BR CF

North American Railway Foundation®
...founded by the BR&CF

INFLATION FAQ (July 2022)

With the reopening of the economy after a two-year-long global COVID-19 pandemic shutdown as well as escalating tensions resulting from the Russian military invasion of Ukraine, inflation rates have risen globally. As of May 2022, these rates have reached a 30-year high in Canada averaging around 6%. A higher inflation rate can be cause for worry because of the uncertainty it creates in addition to the higher costs for necessities. Unions have a big role to play during these periods to ensure workers come out on top. We should also push back against calls from some politicians who, in addition to misdiagnosing the causes of inflation, also prescribe austerity policies as the solution. Cutting spending on social programs and infrastructure will make workers much worse off than they are under higher inflation rates.

Below is a list of Frequently Asked Questions (FAQs) to help Teamsters Members better understand and navigate the issue of inflation.

What is Inflation?

Inflation is the speed or rate at which the average price of goods and services increases. In Canada this is most commonly measured with the Consumer Price Index (CPI) which tracks the price of a basket of goods that the "average person" will buy.

What causes inflation?

Typically, inflation occurs at a higher rate when the demand for goods and services outpaces its supply, causing prices to be increased. Worldwide events (global pandemic, war in Ukraine) can cause sudden changes in the global supply chain or economic uncertainty which can quickly increase the rate of inflation.

Is inflation bad for my family's prosperity?

It depends on your personal situation. If the goods your family consumes are not among the key drivers of inflation, your cost of living will not increase as fast as the average rate. Also, if your salary increases to keep up with the general annual average inflation, your buying power remains the same.

If your wage remains stagnant during periods of higher inflation, you effectively end up earning less from your work and may have more trouble paying for the same things as before. Increases in inflation always impact the lowest-earning people the most especially if the prices of necessities rise.

Inflation also has a big impact on the real burden of debts – like mortgages, credit card balances, and even the government's debt. If prices rise over time, then the real cost of repaying a debt in the future is reduced. This is one reason moderate inflation can be positive: it helps households, companies, and governments pay off their debts. Of course, this depends in part on what happens to interest rates, in the meantime: higher interest rates make the cost of debt servicing higher.

How does my Union help deal with higher inflation?

Unions leverage the collective bargaining power of their members to demand wage increases that are fair for the work you do and keep up with the cost of living. Today, after many years of historically low inflation, unions need to mobilize even more to ensure that employers are offering increases that keep up with a more rapid rise in the cost of living. Not only is this better for you as a worker, but it also supports the economy: since well-paid workers are also consumers who drive the economy. Bargaining teams should be well briefed on the latest economic data when drafting monetary demands at the bargaining table.

The inflation rate in the news this month is very high. Is that how much my wage needs to increase to keep up?

Not necessarily. The CPI (inflation rate) is reported monthly, compared to the same month of the previous year. When appropriate annual wage increases are calculated, they need to consider the annual average inflation rate of all twelve months for the previous year.

Is workers' high pay currently causing an increase in inflation?

No. Economic data overwhelmingly shows that workers' wages have lagged well behind inflation – contrary to profits made by companies, which have reached record highs during this period.

Is inflation bad for my retirement savings or pension fund?

Pension funds invest in assets such as stocks, bonds, and commercial real estate. High inflation has caused interest rates to rise. In the short term, stock and bond markets have fallen in value.

How inflation impacts savings or pension funds can be complicated, but pension funds invest for the long term. Higher interest rates can translate into higher long-term investment returns and healthier pension plans. They also reduce the estimated cost of future liabilities, which also improves pension funds ratios. Pension funds also invest in assets which protect against inflation, such as commercial real estate and infrastructure investments.

Teamsters pension funds are well diversified, with stocks, bonds and commercial real estate and infrastructure. The pension plans are invested to keep benefits safe and secure during times of market turmoil.

In many cases, Teamsters funds remain fully funded (with more assets than they need to pay pensions) despite recent falls in stock markets.

Certain retirement benefits such as CPP are indexed to inflation which is good for workers and should be applied to other federal or provincial social benefits.

Does high inflation mean the economy is doing poorly?

No. The growth of the economy can still be strong under higher inflation rates. There is much debate among economists as to which level of inflation is ideal to stimulate economic growth. Of course, out-of-control inflation would lead to widespread economic problems, and this should be monitored carefully by government. Similarly, inflation rate less than zero (known as deflation) can occur during periods of severe economic downturn -- leading to massive layoffs of workers and even a depression.

There are many other important measures of a healthy economy that do not make the news as much as inflation: such as unemployment, poverty rates and income inequality. A healthy economy must be built on a strong middle class and decent living standards for workers and families whether inflation rates are high or low.

Does the government need to cut social program spending to reduce inflation?

No. In periods of change and uncertainty, you will always hear explanations from people who are either ideologically driven or concerned with their own vested interests. Proposals to give more tax benefits to CEOs and large corporations while cutting benefits for families and workers should be opposed; they could lead to full blown and painful economic recession and bring down your quality of life. Also, when the government spends to bring down the cost of public services you use, it also brings down your cost of living – and reduces the inflation rate. Cutting important social programs would make matters much worse for workers, compared to living with slightly higher inflation rates.

If prices need to be higher, why are large companies making record profits?

During periods of increasing prices and supply disruptions (such as we've experienced since COVID), companies often see an opportunity to raise prices even more than their cost of production. This allows higher profits for shareholders and larger bonuses for managers. This becomes even more pronounced as a practice when there is less market competition (visible today in sectors like petroleum, groceries, and housing). Unions help ensure that companies share these very high levels of profit with the workers that created it for them.

What should the government do about high inflation?

We should keep in mind that the current inflation is unique in its cause (pandemic recovery, war in Ukraine), and is not likely to be long-lived. The government should closely monitor the economic trends and respond in a carefully measured way. The government should also make sure labour and consumer protection laws are strong and enforceable. It should push back against demands to cut programs such as education and health care, and instead ensure that social programs are indexed to inflation. The government should also ensure that the corporations making record profits pay their fair share toward infrastructure investments and social programs that enhance our quality of life and can reduce inflation.

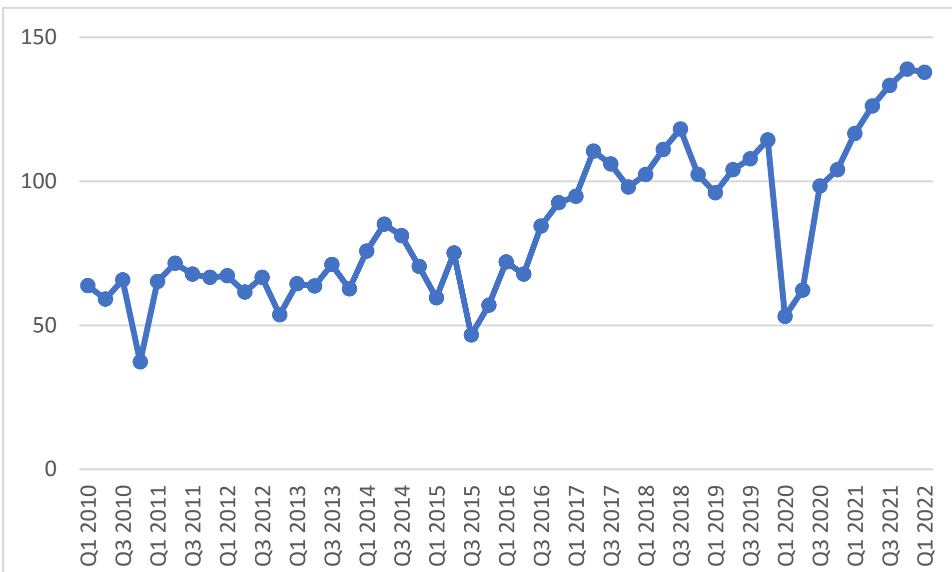
Inflation numbers:

	2019	2020	2021	2022*	2023*	2024**
Consumer Price Index percent change, annual average (Canada)	1.95%	0.74%	3.4%	6.5%	3.2%	2.1%

*Average of projection from the 6 Major Canadian Banks
**Bank of Canada Projection

PRE-TAX PROFITS OF ALL COMPANIES IN CANADA (IN BILLIONS OF DOLLARS)

As the market recovers from the pandemic shutdowns, profits reached a record $139 billion in the fourth quarter of 2021 and $138 billion in the first quarter of 2022.



Statistics Canada. [Table 33-10-0224-01 Quarterly balance sheet, income statement and selected financial ratios, by total all industries, non-seasonally adjusted (x 1,000,000)]