

TELUS offers buyouts

On June 7, TELUS announced two financial incentive plans to encourage members to leave the workforce.

An Early Retirement Incentive Plan (ERIP) will cover TWU members who have reached the age of 55, and a Voluntary Departure plan will apply to eligible members under the age of 55.

The ERIP will offer eligible members 12 months' salary plus \$500 per year of service up to a maximum of 30 years, or \$15,000. As an example, an employee with 30 years service earning \$55,000 would be offered \$70,000.

Eligibility varies slightly, depending on which pension plan the member is covered by, but overall, age 55 plus a specified minimum years of service are required. For TELUS Corpo-

ration Pension Plan (TCPP) members, it is age 55 plus 15 years service, or age 60 plus five years service; for TELUS Edmonton Pension Plan (TEPP) members, it is age plus years of service combined equal at least 85; and for Telecommunication Workers Pension Plan members, age 65, or age 60 to 64 with two years service and consent of pension plan trustees, or age 55 to 59 with 25 years service and consent of pension plan trustees.

The Voluntary Departure plan offers up to 18 months salary, one month for each of 18 years of service, plus \$1000 a year up to 20 years, or an additional \$20,000. So as an example of an employee earning \$50,000, with 20 years service, the maximum buyout would be \$75,000 plus \$20,000, or \$95,000 total. This voluntary plan is open to members with a minimum 10 years service who are not eligible for the ERIP.

Members have until October 18 of this year to accept the retirement incentive offer.

The TWU Executive Council reviewed this proposal on June 7, and committed to respond to the company some time in the week of June 10.

(The incentives were announced by TELUS just as the Transmitter was going to press, so we do not have details of the Union's official response at this time, but further information will be available from the Union via the hotline, bulletins, website, and at Local meetings.)

Meanwhile, President Rod Hiebert sharply criticized the company for creating the financial situation within the company that led to this offer. He charged that the downsizing that will inevitably result from these offers will lead to a serious decline in the quality of service, to office closures, and to a negative impact on communities in both Alberta and BC, due to loss of jobs and reduction in quality of service.

"The company is attempting to blame the CRTC for its current difficulties, but the company has deliberately created

turmoil in the workplace, and throughout the company, and downsizing and reduction in

quality of service will be the sorry result," Hiebert says. "TELUS is the author of its own

dilemma, but unfortunately, the workforce and the public will now pay the price."

Bargaining committee tour finds high level of interest

Despite the slow pace of negotiations with TELUS, largely due to the company's ongoing foot-dragging on contract talks, the TWU bargaining committee has not been letting the grass grow under its feet.

Indeed, the rank-and-file members of the committee took advantage of a lull in negotiations this spring to touch base with the membership throughout both Alberta and British Columbia, to provide information

on bargaining and receive members' input and concerns.

During March and April, the 12 members split up into three groups (a representative from each appendix was in each group) to meet the membership. Meetings took place in cafeterias and lunchrooms which members attended during scheduled breaks, and in some cases at local meetings by invitation.

The 16-member Union bar-

gaining committee comprises 12 rank-and-file members, six delegates from B.C. and six from Alberta, as well as three elected Officers, with the President an automatic member. The spring tour involved the 12 delegate members: Lila Hackett, Darlene Foley, Joe Benn, Marcel Lafond, Greg Lorne, Sandi Mutter, Bobby Schneider, Ron Driscoll, Tom Robson, Dave Tingle, Donna Hokiro and Kelly Gray.

The purpose of the tour was to bring the members up to date on the status of bargaining, to receive input, and to continue to build solidarity with the membership during this long and difficult bargaining process.

A related reason for the tour at this time was to counter the company's barrage of e-mails to members on the bargaining process, a stream of information (and misinformation) which TELUS management has been sending out over the past months.

At time of writing, the tour has been substantially completed, although there are still some smaller centers in northern Alberta and southeastern B.C. to be visited.

Bargaining team members report that interest and turnout varied, but overall was high, and the response was very rewarding.

Interest was particularly high among Operator Services' members and at Mobility sites, with a good level of interest and turnout also reported among Clerical workers generally.

To the surprise of the bargaining team, the interest level and the issues raised were very similar in both provinces.

Among the issues on the minds of members in B.C. and

Union takes on Telus over quality of service

(From a TWU June 6 news release)

TWU members at Telus are trained service professionals who strive to provide the public with high quality telecommunication services. Unfortunately, our members are expressing concern that certain management decisions have led to a decline in that service quality. Our organization is determined to address this issue.

Our members are being forced to spend little or no time in helping customers deal with their problems. Operators are pushed to dump customers into an electronic message maze that makes it difficult, if not impossible, to reach the operator who they have paid to talk to. Customers are not being provided with the level of service they have a right to expect in this and other areas of the Company's operations.

Unfortunately our members are forced to bear the brunt of customer dissatisfaction with the quality of service that Telus is now providing. We believe that customers' anger should be directed at the management of Telus, who are the people re-

sponsible for these problems.

Our organization is now checking out quality of service complaints from a range of areas of responsibility at Telus and will report any deficiencies we discover to the CRTC, the regulatory body that oversees Telus.

The TWU and its members, the people who provide service at Telus, have been active in promoting the highest quality of service since the late 1970s. We are committed to ensuring that service standards mandated by the CRTC are met or exceeded and that current monitoring systems are upgraded to better assess the level of service quality that the Company is actually providing. To that end, we will be participating in upcoming CRTC proceedings which will deal with these issues.

The TWU believes that providing high quality service is fundamental to building and maintaining a strong Company, healthy share prices, a good public image and a loyal, growing, stable customer base.

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LETTERS TO THE EDITOR

Retirement thanks

Dear TWU:

Thank you for the \$1000 cheque, honorary life membership and letter presented to me at my retirement.

I enjoyed my varied 33 years of working at BC Tel/TELUS.

Rosanne Watt (Ward)
Quesnel, BC

Dear TWU:

I wish to send my best wishes and many thanks to Kathy Pearn for the presentation for the life membership and \$1000 gift from the Union.

The attendance of the many other union friends was very much appreciated. This is a perfect time to thank the Officers and Members for all the hard work on our behalf. Keep up the good work, don't stop now. I know the fight to come is a big one.

Good luck,
Lorraine Reglin

Dear TWU:

Thank you for the \$1000 gift presented to me on my retirement. I wish to thank the Pension Plan that has allowed me to retire at this time of my life. I also wish to thank all the B.A.'s who were so helpful to me during my years as an activist and wish you well in the future.

The road ahead will make great demands on all of the membership but there is no doubt in my mind you will be successful.

In solidarity,
Shannon Csano, Local 7

Dear TWU:

The TWU has always been part of my telephone company experience. I have worked with many fine union people over the years. In Local 42 I enjoyed being part of the executive for several years. Although I was on the sidelines, in Local 1 and Local 7, in later years I have tried to promote the union at every opportunity. Keep strong. Stay together and we shall be winners.

Thanks for the \$1000 cheque. It is a grand way to move to the sidelines. I am proud to be an honorary member of the TWU.

In solidarity,
Pat Rutledge

Dear TWU:

Belated thanks for your \$1000 retirement gift and life membership. A few months after retiring (November 1999), I spent a few months in hospital and had forgotten to send you a thank you note.

I thank you for your representation and BC Tel, now TELUS, for 27 years of employment.

Yours truly,
Dave Thom
Coquitlam, Local 38

Dear TWU:

Thank you very much for the Certificate of Honourary Membership and for the \$1000 cheque that was presented to me at my retirement dinner on April 19th. I have always been proud of the TWU, and it was an honour to be a Shop Steward for Local 15

for over 18 years.

I thank you TWU for the nearly 30 years of negotiating great contracts for me while employed by BC Tel and TELUS, and thanks for my great pension.

Keep up the great work.

In solidarity,
Josephine Bruno
Kamloops

Dear TWU:

The presentation of \$1000 cheque was greatly appreciated. Thanks so very much.

Claire Clark
Nanaimo

Dear TWU:

Thank you for the gift, honorary life membership and letter on my retirement after 24 years with BC Tel and TELUS. I appreciated the work environment, benefits, pension, that the TWU has worked tirelessly on behalf of its members to obtain.

Yours truly,
Wes Welk
Supply, Langley Warehouse

Sports thanks

Dear TWU:

On behalf of Saanich Peninsula Wolves soccer team, we would like to thank you for your sponsorship for the 2001-02 season. We had a very fun and successful season. Thank you again.

In solidarity,
Lori Morgan
Victoria Local 21

Picket help thanks

Following is a letter received by Local 8 from the member of USWA Local 898-03 in recognition of picket lines assistance in connection with their long term dispute with the Riverland Motel in Kamloops.

Dear TWU Local 8 Members:

Our strike is finally over – and we have a Collective Agreement.

A resolution to our 15-month labour dispute with the Riverland Motel in Kamloops, BC was reached and ratified by 100% of our members.

Of the 12 areas of contention listed on our November 5, 2001 bargaining update, the Employer backed-off on 10 of them. All in all it is a good agreement and we are very happy to hang up our picket signs – it has been an incredible, trying experience that we will carry with us always, along with the knowledge that it was well worth fighting for.

When we went out to start our picket line, it was obvious we were new at this. This is where you people come into play. You taught us a lot about walking a picket line and that you can do this and have fun too. We will have many fond memories.

There are no words to express our gratitude to you for your support and participation at our social events and our picket line over these many months. Your generosity and overwhelming solidarity will never be forgotten. Thank you all.

In solidarity,
Your Brothers and Sisters of
USWA, Local 898-03

BOYCOTTS

All readers are asked to support the following trade union sponsored consumer boycotts. Please do not patronize or purchase any of these goods, services and/or retail outlets:

All Non-Union Postal Outlets

Dispute with CUPW
Philips Electronic Products, Quebec
CLC/USWA 7812

Scholarship forms on line

Forms to apply for TWU scholarships are now available on the TWU website.

Go to the website at www.twu-canada.ca, and look under Members/Forms/Scholarships. The application forms can be downloaded. You will also find information about the scholarships at the same site.

The Union makes available seven awards to sons and daughters of TWU members who are entering their first year of post-secondary education.

There are three scholarships valued at \$750 each, two scholarships valued at \$1,000 each, and two BCIT bursaries valued at \$1,000 each.

Deadline for applications is August 1, 2002.

Terms and administration of the scholarships were changed recently to include the expanded membership since the merger of the telephone companies in B.C. and Alberta.

Camp Jubilee under new management

A change in the management structure of Camp Jubilee, the children's summer camp on Indian Arm, should result in more kids being able to attend the camp each summer.

Under an agreement with Working Enterprises Ltd., the Camp Jubilee site is under the management of Indian Arm Recreational Services Ltd. (IARS). From now on, IARS will handle all business related to the operation of the Jubilee site. They have already begun some of the renovations for the site and are currently accepting rental bookings for year-round camping.

Six weeks out of every year, the Children's Jubilee Summer Camp Association will run a summer camp program for needy kids from all over BC. As in the past, union members from around BC will be asked to sponsor a child for camp this year.

Through such generosity, the camp has succeeded in sponsoring over 85 per cent of the kids attending camp.

BC WCB appeal changes

The British Columbia government has introduced changes to the Workers Compensation appeals process, reducing the number of appeal levels to two from the current three.

The legislation, Bill 56, introduced May 30, will be debated in the fall, when it will likely be passed into law. Until then, the old three-level process will remain in effect.

Bill 56 creates a new, internal review function to handle initial disputes of WCB decisions and establishes an independent tribunal as the second and final round of appeal. (It appears the independent tribunal will be similar to the existing Review Board process, which is independent of the Board.)

The old process which temporarily remains in place is a three-level process – the Review Board, the Appeal Division of the WCB, and the Medical Review Panel process as the final level of appeal when medical issues are in dispute.

The labour movement has generally opposed the changes, favoring retention of the three-level process, while business representatives are generally lauding the proposed changes, on the grounds that the current system is too slow and cumbersome.

According to a government news release, the new law will place an 11-month limit on the time a case can be in appeal.

TELUS Seniority List by province as of May 31, 2002

Year	B.C.	Alta.
1957	1	-
1958	1	-
1959	1	-
1960	2	1
1963	4	2
1964	17	3
1965	43	13
1966	97	34
1967	75	14
1968	93	23
1969	286	45
1970	236	46
1971	214	44
1972	320	43
1973	546	91
1974	633	238
1975	267	243
1976	420	226
1977	281	185
1978	221	254
1979	386	285
1980	544	353
1981	974	441
1982	128	112
1983	89	34
1984	62	50
1985	75	87
1986	125	107
1987	165	99
1988	269	147
1989	318	130
1990	473	75
1991	99	46
1992	105	30
1993	39	43
1994	366	124
1995	271	176
1996	169	129
1997	317	278
1998	125	432
1999	196	307
2000	368	755
2001	382	338
2002	-	21
Total	9819	6138

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TWU fax (604) 435-7760

Pension Plan office (604) 430-1317

TWU hotline .. (604) 435-2224

TWU Website addresses:

TWU Home Page: <http://www.twu-canada.ca>
TW Pension Plan:
<http://www.twu-canada.ca/twpp/pptoc.htm>
TW Benefit Plan:
<http://www.twu-canada.ca/twbp/bphome.htm>
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Great Financial Plans



By: Bill Biles, CFP
Financial Planner
Van Tel/Safeway Credit
Union

1. Question: What do I do if I'm offered an "Early Retirement" or "Voluntary Separation" package? – (from dozens of interested TELUS employees!)

Answer: Huge question and a very important decision! If you are offered a "package" of any kind to leave TELUS (or any employer), there are a number of things to consider, some or all of which may apply to your situation, namely:

Can you afford to leave your current job and take the package? You will have to consider all other potential sources of income if you leave TELUS, such as pensions, investment income and other or part-time employment. You must then decide if the incentive is enough for you to give up the income you earn at TELUS. Some of you may need to find another job with equal or better pay, benefits and hours before accepting the package. And you might want to establish or increase your line of credit with your favorite financial institution before leaving – it's easier to borrow when you really don't need the money than when you do!

How much of the offer can you transfer to your RRSP? You will be able to transfer \$2000 for each year (or part year) of employment with TELUS, up to and including 1995, directly into your Personal RRSP. There may be an extra \$1500 you can transfer for each year you were not part of the pension plan up to and including 1988. You may also be able to contribute (on top of the transfer) part of the offer directly to an RRSP. Think about income splitting with a Spousal RRSP.

How much of the offered amount should you defer to next year? To minimize taxes pay-

able on the offer, you want to be in the same marginal tax bracket the year you receive the offer and the following year. Total all the different incomes you expect to receive for each year then use the offer to equalize the tax brackets and thereby minimize your total income tax paid. Would you like that again in Latin? Give me a call if you are confused.

If you are going to leave TELUS, have you thought about your health, dental and insurance coverage? Our provincial plans have increased in cost in the past few months and you won't be able to extend your company benefits if you leave prior to pensionable age (Voluntary Separation), so check into the costs of the necessary coverage for you and your family. Those retiring on pension from TELUS have the option to extend their medical, extended health and dental benefits but the premiums will no longer be subsidized nor will the coverage be as extensive.

Are you offered a "continuance" allowing you to retain the TELUS benefits and continue contributing to your pension plan? If the continuance is equal to the lump sum you'd receive and allows you to continue building your pension (and counts for years of service), you may be better off with the continuance.

Are you eligible for an unreduced pension? And which one of the available 28 pension options makes sense for you? You need one of several combinations of age and years of service to qualify for an unreduced pension. Once offered a package you should contact your pension office and ask for estimates of what your pension payments would be for the various options. You decide on the option by determining if you want a single life or joint-with-right-of-survivorship pension (i.e. whether or not you need to provide a continuing pension for your surviving spouse), what percentage of your pension payments you'd like your surviving spouse to receive, and whether you'd like to integrate your TWU pension with one or both of the government pensions. There are easy "break-even" calculations you can use to decide this last question.

What will you do with your voluntary pension plan contributions – roll them into your pen-

sion or transfer them to your own RRSP? Find out how much your monthly pension will increase by rolling the voluntary contributions into the plan and decide if you would rather move them to your RRSP to invest and create your own extra income. Your "investor profile" and the length of time the funds will stay invested will have the largest impact on this decision.

What will you do with the shares in your Employee Share Purchase Plan and in your TELUS Group RRSP? You can't leave the shares in the ESPP or Group RRSP once you leave TELUS. You will complete a form X71 to direct what you'd like done with your shares. You may have TELUS sell them, send you the certificates (for shares outside your RRSP), or transfer the shares to your brokerage account. TELUS will expect you to deal with these shares within about 30 days of your date of termination. If you retire, you'll also have three years to exercise those free options TELUS granted last year – not financially beneficial today but maybe within a couple of years...?

These are just some of the many questions you will be faced with when considering an early retirement or incentive package. If you want some help, I have already seen dozens of TELUS employees with these same concerns and I can help you with your answers! Give me a call.

2. Question: who was that "flash" on the base paths?

Answer: t'is true, this fearless scribe joined a TELUS Mobility slo-pitch softball team to play in a charity fundraiser for B.C.'s Children's Hospital Foundation. Many thanks to the TELUS employees for inviting me to participate and to the members and staff of Van Tel/Safeway Credit Union who generously helped sponsor our efforts. It was for the kids, and this one had fun!

You can call Bill Biles at (604) 656-6289, email at bbiles@vantelsafeway.com, or contact a Van Tel/Safeway Financial Service Representative at (604) 656-6200 or toll free at 1-800-663-1557. Please visit Van Tel/Safeway's website at www.vantelsafeway.com.

Bell West challenges TELUS on home turf

From a report in the April 11 Calgary Herald
Bell Canada and Manitoba Telecom services looking to gain a foothold in Alberta and BC launched a \$1-billion Calgary based company Thursday that will challenge Western Canada's TELUS Corp. on its own turf.

The new company, Bell West, unites two separate businesses into one big enterprise aimed at undermining the dominant position TELUS now enjoys in corporate telephone services across the largest western provinces.

The announcement is another sign of an escalating battle between Canada's largest telephone companies – Bell Canada and BC based TELUS since the industry deregulated in the late 1990's.

"We aim to be the clear alternative telecom provider to businesses in Alberta and BC," said Randall Reynolds, Bell West's chief executive.

The new firm unites Bell Intrigna, a supplier of local telephone service, with Bell Nexxia, a high-speed data network.

Under the agreement, Bell Canada owns 60 per cent of Bell West, while MTS hold the re-

maining 40 per cent.

Bell West employs about 700 people in Calgary, Edmonton and Vancouver – jobs already held in the two existing companies. No layoffs are expected.

The deal is significant, analysts say, because it takes dead aim at TELUS.

Both Bell Canada and TELUS want to be a major supplier to Canada's business community offering everything from local phone services to Web-hosting capabilities, a broad market worth billions of dollars.

In the battle for market share, Burnaby based TELUS has been acquiring companies during the past two years to expand into Central Canada, the backyard of BCE.

TELUS's biggest deal was buying wireless operator Clearnet Communications of Toronto for \$6.6 billion in August 2000, a move that reshaped the industry.

This year, TELUS hopes to attain almost \$1 billion in sales from customers in Central Canada, excluding its wireless unit, TELUS Mobility.

On the other side, Bell West's plans are equally ambitious. The company aims to earn \$400 million in sales this year and double its market share by 2006.

Court backs TWU in contracting out dispute

On May 21, the TWU won an important court victory in a contracting out dispute with Telus on an issue that goes back a full year.

Last June, Stephen Kelleher, the chair of the Contracting Out and Technological Change Committee, ruled that Telus was violating an agreement with the TWU by allowing cell phone dealers to hook up directly to the network without the involvement of TWU members.

Specifically, Kelleher ruled that the company's introduction of "Remote Dealer Access" or RDA in B.C. without prior discussion with the TWU is inconsistent with the BC TEL-TWU Letter of Agreement of December 4, 1992. He wrote in his ruling that "the change

introduced in June, 2001, means in effect that the dealers are inputting data into Company databases."

However, the company appealed the ruling to the courts, arguing that Kelleher did not have jurisdiction to make such a ruling. A lower court turned down the Telus appeal, and the company took the issue to the Appeal Court. On May 21, the Appeal Court again found in the TWU's favour, ruling that Kelleher does have jurisdiction. Kelleher's ruling on the RDA issue will therefore stand.

Union members of the COTC Committee expressed their pleasure with the Appeal Court ruling, calling it an important victory for the TWU membership.

Roadtrip builds solidarity

–from page one

Alberta were job security, on-the-job harassment, office closures, and the movement of work across the border. (The committee reports that the general perception among B.C. members is that work is moving to Alberta, and in Alberta that the company is moving work to B.C.). The pace of negotiations was also on the minds of the members.

Committee members from B.C. talk of a noticeable change over the past 20 years, since the last major confrontation with BC TEL in 1981, which the Union ultimately won following a long strike. Back then, the membership formed a tight in-group, but in the intervening years, the company has spent a lot of effort trying to drive wedges between the various groups, to pit one group (and now one province) against another.

One of the goals of the bargaining team tour was to counter that trend, to bring the members back together, to build a renewed sense of solidarity among the various groups. The committee feels the spring tour went a long way toward achieving that goal.



Vice-President Neil Morrison and Secretary-Treasurer Jim Christensen preside at annual meeting of TWU Benevolent Society held in Abbotsford May 23.



"As Employee of the Month, I expect you to set an example for the rest of your work team... now go lay yourself off."

Blitzkrieg of bad news from Campbell government

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Information overload is a tactic in Campbell's New Era. A blitzkrieg of bad news is released so as to overwhelm reporters and commentators. WCB cuts were tabled on what could be called "Bad News for Labour Day". One after the other, legislation amending the Workers Compensation Act, the Employment Standards Act and the Labour Code were introduced to the legislature. **The image of cuts to compensation for injured workers now marks the first anniversary of Gordon Campbell's election landslide.**

The Campbell government announced cuts to Workers Compensation Benefits the same way its political spinmasters talked about cuts to other strands in the social safety net. Its news release is headlined "WCB changes ensure sustained protection for injured workers". When the Campbell government slashed auxiliary health services (eye exams, physiotherapy, chiropractic, etc.) if offered the defense that it was "protecting care" and achieving "fairness". When Pharmacare was cut the Campbell government spun numbers about how much of total prescription costs were

paid by various provincial governments, and then argued BC should not be at the top. The same type of argument was given when legal aid was cut.

For a person making \$40,000 per year, the WCB change amount to a cut of just over 9% in monthly benefits. Until now the Workers' Compensation Board of BC paid benefits equal to 75% of gross pay. A person earning \$40,000 per year was eligible for \$2,500 per month in benefits. BC has now been reduced to the Alberta standard where that same person receives 90% of net pay (gross less EI, CPP and "usual tax") for a monthly benefit of \$2,276.78 – a difference of \$223.22 (pdf). In Ontario a worker is eligible for slightly less – 85% if normal take home earnings.

Nothing was said during the election campaign about cutting benefits for sick or injured workers in BC. The only reference to the WCB in Campbell's New Era Document was a promise to "make the Workers' Compensation Board more responsive to workers' and employers' needs."

It is not necessary to drag BC to the bottom on every measure of protection. Lowering benefits is not a way to make the WCB more responsive.

Public health workers cut

CUPE/fastfacts/CALM

Public health workers providing services to children and high-risk populations in the Vancouver area received pink slips as part of the cuts announced by the Vancouver Coastal Health Authority.

More than 100 public health employees responsible for immunization programs, speech pathology, inner city school meal programs, vision screening and hearing programs have been told their services won't be needed after June 28, 2002. The front line health providers are members of CUPE and the BC Nurses' Union.

The cuts target some of the most innovative health promotion and harm reduction programs in the province.

Paul Faoro, president of CUPE Local 15, says the cuts are not short-sighted, they violate the health authority's own principle for health restructuring, including the promise that more resources would be invested in illness prevention, education and harm reduction.

"The sad reality is nearly every area of our work concerned with health promotion or prevention is being cut," he says.

Alberta Federation blasts delays on WCB Tribunal

Reprinted from: Labour News
Alberta Federation of Labour

The AFL reacted to the government announcement on April 22, 2002 that the proposed Tribunal on longstanding, contentious WCB claims is being delayed further by calling it a betrayal of injured workers. Minister of Human Resources Clint Dunford announced a delay to the Tribunal due to pressure from some employers groups.

"Justice delayed, and delayed and delayed," said Alberta Federation of Labour President Les Steel. "How long does the Minister expect injured workers to wait for a fair resolution of their claims?"

"It is a betrayal. The one-time Tribunal

was the cornerstone of Dunford's reforms to the WCB. It was the way to demonstrate thousands of injured worker that he was committed to fixing the system," said Steel. "But he has proven it is just empty platitudes."

Dunford claims that the delay is due to pressure from employer groups who are concerned about increased premiums caused by Tribunal decisions. Steel refuted this concern. "No one can pretend to know the impact of the Tribunal on premiums. It could be minimal."

"Besides," Steel added, "any benefit awarded an injured worker is just a late payment. It was money owed to that worker when they first got injured. This is about justice and fairness."

Poorly designed jobs can cause foot problems and injuries at work

CAW/CALM

All workers are at risk from feet injuries, whenever they work.

The foot is comprised of bones, joints, muscles, nerves, blood vessels, tendons and layers of fascia (connective tissues). The bones of the feet form arches that are supported by ligaments and muscles. These arches contribute to the strength, stability, mobility and resilience of the foot.

During standing, walking, running or jumping, the arches serve as shock absorbers, spreading energy before it is transferred higher up the leg.

When the body tissues are sufficiently stressed, they become swollen or inflamed. Chronic inflammation can be the result of fallen arches where the shock-absorbing quality of the arch of the foot disappears through conditions of flat foot, pronation, supination or simple overuse.

Losing the arch in your feet also changes the position of the knee and hip,

which makes them more vulnerable to injury from working on your feet.

Poorly designed jobs that cause workers to stand on their feet for extended periods can cause foot problems. Cold, hard or uneven flooring surfaces that are not covered with proper shock absorption materials such as anti-fatigue matting add to the problem. Jobs should be designed to allow for transitions between sitting and standing. By the end of the work day, many workers cannot distinguish between fatigue in their feet and legs and whole-body fatigue.

Your work may need to be redesigned if you: stand for all or most of your shift on surfaces with little or no shock absorption; have little or no chance to sit; have poor foot protection and arch support; have insufficient rest periods.

Signs of foot trouble: swelling in the feet and legs; fatigue in feet, legs or whole body; discolouration; varicose veins; arthritis in knees or hips



Outgoing Secretary-Treasurer Kathy Pearn and family arrive at retirement party for Kathy April 19, attended by many colleagues, former colleagues and friends

Sinclair calls BC legislation 'employer bill of rights'

BC workers will see their incomes decline, their workplaces become less safe and their legal rights eroded under three bills introduced May 13 in the BC Legislature, says BC Federation of Labour President Jim Sinclair.

"The three bills will reduce limits on overtime, cut benefits if you're injured and make it much harder to join a union if you want to bargain to achieve some fairness," Sinclair said. "It's an employer bill of rights that won't modernize the economy, but take it back to the days of absolute employer control over hours, working conditions and employee rights. This is a massive transfer of power and money from workers to employers."

Sinclair challenged Premier Gordon Campbell to allow full public discussion of the legislative package rather than force it through the Legislature in the few days remaining in the current session, stating "It would be wrong, given that each of these bills goes beyond the proposals set out in the government's slapdash consultative process, to impose such massive changes on the provincial economy."

Sinclair said a preliminary analysis of the three new bills indicates that:

BC's most vulnerable workers will see their incomes go down as they lose a guaranteed eight hour day, watch overtime protection decline and see minimum shift payments cut in half. Enforcement of whatever standards remain maybe turned over to employer associations. This is a massive hit to part-time workers who are overwhelmingly women.

Injured workers will see massive cuts in their income to fund very large savings to employers which the government's own background papers indicate will run to at least \$300 million a year. Further cuts in occupational health and safety standards are still to come.

The province's Labour Code is facing a radical revision to shift the balance overwhelmingly to employers with a new "duties" section that will require adjudicators to put employer "viability" ahead of any other consideration. The new changes also virtually mandate employer interference in union organizing.

TENS value questioned

Institute for Work & Health/ at work/CALM

There is no evidence to support the use of TENS (Transcutaneous Electrical Nerve Stimulation) as a treatment for patients with chronic low back pain, according to a review of the scientific literature by members of the Cochrane Back Review Group (BRG).

Tens was introduced about 30 years ago as a treatment option for rehabilitation of chronic low-back pain patients. The treatment requires patients to wear a small device with electrodes attached to the skin. It provides continuous electrical pulse to the nerves that stimulate the muscles

of the affected area of the back.

The review included more than 250 patients with chronic low-back pain who received the active TENS treatment and 170 patients who received placebo TENS. There were no statistical differences between the two groups, says Institute Senior Scientist Dr. Claire Bombardier, who is the BRG's co-editor.

Chronic low-back pain is defined as pain that lasts more than 12 weeks. It affects around 10 per cent of those who suffer from low-back pain. Eighty to 90 per cent of the health-care costs associated with back pain are for those patients with chronic low-back pain and disability.

Union pursuing grievances over Shaw Cable layoffs

Vice-President Neil Morrison says grievances are proceeding against Shaw Cable stemming from layoffs of employees by Shaw on May 15 in the TWU certifications in Vancouver and Surrey.

Fifteen unionized workers were laid off in the Vancouver Bargaining Unit and nine were laid off in the Surrey Bargaining Unit.

In addition, numerous non-union employees in the Lower Mainland were laid off around the same time, and IBEW Local 213 has informed the TWU that an additional 16 installers were laid off in their Fraser area Bargaining Unit.

The total number of Shaw layoffs exceeds 50 employees.

The TWU is therefore proceeding with a grievance alleging violation of Part 3 of the Canada Labour Code, under which an employer is required to give 16 weeks notice where there is a layoff of more than 50 employees in an industrial establishment, Morrison says. Not only did Shaw fail to give 16 weeks notice, they did not even give the minimum two weeks layoff notice that is required for any employee, whether Union or non-Union.

The TWU has also filed a number of other grievances relating to the layoffs.

*One of the additional grievances involves two installers from Surrey who were on staff on the date of ratification of the

Collective Agreement with Shaw, who were laid off in violation of a Letter of Agreement guaranteeing employment.

*A third grievance stems from Shaw's hiring of four laid-off members in Vancouver and Surrey into positions outside the Bargaining Unit, performing the same work they had performed in the Bargaining Unit, in violation of the Collective Agreement.

*A fourth grievance alleges the employer continues to assign work within both the TWU's exclusive and discretionary jurisdiction under the Collective Agreement to people outside the Agreement.

*A fifth grievance involves Shaw assigning inside cable TV drop work to TFR's in violation of the Collective Agreement. All TFR's should inform a shop steward if they are assigned inside cable TV drop work.

Morrison says in normal times, Shaw can assign workers from one unionized Bargaining Unit to perform work within the geographic jurisdiction of another bargaining unit. However, when layoffs occur, it is a violation of the collective agreement to contract out work in this manner. The TWU is therefore asking members at Shaw to be alert to any such violations, and if they occur, or if the member is assigned such work, to advise the Union immediately and to let your supervisor know you are doing the work under protest.

Meanwhile, unionized Telus employees are asked to advise Morrison or B.A. Tim Williams of any work they perform for Shaw, so the TWU can determine if the work is permitted under the Shaw Collective Agreement or is a violation of that agreement.

Members at Shaw are also asked to forward to Tim Williams or Neil Morrison the names of any non-union people they know were laid off.

The Union believes the Shaw layoffs demonstrate once again the need for closer regulation of the cable industry in Canada, and the union is asking members of the public who are unhappy with the cable service to register a protest with the CRTC. The CRTC website address for filing protests is <http://www.crtc.ca/RapidsCCM/Register.asp?lang=E>

Members at Shaw should know that all TWU members are actively supporting their Brothers at Shaw in this struggle!

Employer requires just cause for firing

Vanessa Payne CALM

Under traditional employment law, workers are considered to be the servants of their master, the employer. They have no right to stay employed. An employer can terminate a worker at any time, provided the worker is given reasonable notice or pay instead of notice.

If a non-unionized worker believes that the employer did not give reasonable notice, she can sue the employer for wrongful dismissal. But even if the worker wins, the court will not give the worker her job back. And, suing is expensive.

Unions changed all that. Unlike employment law, labour law (i.e. law that applies to unionized workplaces) does not treat employers as masters and workers as servants who can be disposed of at will. An employer cannot dismiss a unionized worker unless it has a justifiable reason. Along with seniority, this just cause requirement gives unionized workers job security that other workers do not have.

Who decides whether an employer had just cause to dismiss a worker? When a unionized worker is discharged, the union can file a grievance and take the case to arbitration. The arbitrator will decide whether the discharge was justified. Arbitration is much faster and less costly than suing.

If the arbitrator concludes

that the employer did not have just cause, the worker will almost always be reinstated. The worker may also be compensated for the wages and benefits lost after she was discharged. Sometimes another penalty, such as a suspension, is substituted for the discharge if the arbitrator decides that the employer was justified in imposing some discipline. But arbitrators view discharges as a penalty of last resort, warranted only in cases involving the most serious forms of misconduct.

In a few situations, a worker may not be reinstated even though the employer did not have just cause for discharge. For instance, an arbitrator may refuse to reinstate a worker if the arbitrator concludes that the employment relationship has been damaged beyond repair. Instead, like a wrongful dismissal case in the courts, the arbitrator may order the employer to pay damages. This happens rarely.

In addition, some collective agreements set out specific penalties for particular types of misconduct. If an employer proves that a worker committed an infraction for which discharge is specified as the penalty, an arbitrator may have no power to substitute a different penalty.

Vanessa Payne practises law with Sack Goldblatt Mitchell in Toronto. For more information on labour law issues, visit the firm's website at www.sgmlaw.com.

Two views of CRTC's May 31 telecom ruling

From: Globe and Mail

May 31, 2002

Gatineau, Que – Canada's telecommunications regulator ushered in a new era in local telephone services yesterday, as large and small companies both claimed losses under the new regime and consumers were granted new rights.

As part of one of its broadest and most important rulings in recent years, the Canadian Radio-television and Telecommunications Commission yesterday turned down a request by the country's so-called incumbent telephone companies – Bell Canada, TELUS Corp., SaskTel, Manitoba Telecom Services Inc. and Aliant Inc. – that would have allowed them to raise rates for residential customers.

In its much-anticipated decision, the commission ruled that the cost for basic telephone service cannot, on average increase unless the annual inflation rate exceeds 3.5 per cent. And local rates can only now be increased if the phone company offers a similar-sized reduction in another region of the country that would offset the revenue gain.

The incumbents had asked for the right to boost local residential rates by the rate of inflation each year, up to a maximum of \$2 a month in Bell's case or \$3 a month for TELUS.

Rates for business customers will also not, on average, increase beyond the rate of inflation to a maximum of 10 per cent a year. Requests by the country's two largest telephone companies, Bell and TELUS, to gain the right to raise pay phone rates were also rejected.

"We didn't feel prices had to be much higher to encourage competition," said David Colville, the CRTC's vice-chairman.

With hundreds of millions of dollars and the size of tens of millions of future phone bills on the line, the federal regulator was trying to build a regulatory regime over the next four years that would strike a delicate balance between the interests of consumers, the incumbent telephone companies that have invested countless millions in their networks and those of the newer competitors that pay for access to those networks.

The upstarts have argued that sustainable competition in the industry was at stake, with at least one of them – Call-Net Enterprises Inc. – saying that the new entrants wouldn't survive the decade that it will take to turn a profit without major regulatory changes.

The CRTC ruled that the competitors – including AT&T Canada Inc. and Call-Net – will now pay between 15 per cent and 20 per cent less for access to their larger rivals' networks, a ruling that both sides called faulty.

The competitors said the commission failed to reduce their costs enough to level the playing field. "Over all, it's an enormous disappointment," said John McLennan, chief executive officer of AT&T Canada, which had requested that the commission cut access rates by 70 per cent. "I think it's going to be a very difficult road ahead."

"I think they've chosen regulation over competition," said Bill Linton, chief executive officer of Call-Net, which had proposed a 40-per-cent reduction in access fees.

Both companies said they can survive the new regime, but will not be able to expand services as they had hoped.

One of the incumbents, TELUS, called the ruling "very regulatory." Willie Grieve, the company's vice-president of government and regulatory affairs, said the clamps on rate hikes will prevent TELUS from expanding as quickly as had been hoped.

"At first glance, it would appear that the Commission's decision may offer some benefit to customers and will place some new burdens on Bell, the financial consequences of which will require careful evaluation," said Bernard Courtois, executive counsel of Bell Canada and BCE Inc. Bell Canada will comment further in the next several days after it completes its initial assessment, he said.

As Canada's telecommunications services industry has been increasingly open over the last decade or so, competition in the long-distance and business markets has flourished while the residential, local market has remained the last bastion of something approaching a monopoly.

Analysts say access fees represent about 20 per cent of revenue for TELUS and Bell and that the commission's ruling will cost them tens of millions of dollars. Both companies said it was too early yesterday to calculate a price tag on the ruling.

Lawrence Surtees, a telecommunications analyst at IDC Canada, Toronto, said the CRTC found a reasonable balance between the two groups' interests. "Both won something, both lost something."

The incumbents didn't get the rate of increases they had wanted and will also now suffer from new limits on the rates they can charge for ancillary services such as call-waiting and voice mail, Mr. Surtees said. But the industry's largest players also avoided being hit by larger cuts to network access fees, he added. "They've got to be thrilled that didn't happen."

The CRTC's Mr. Colville said the regulator can't protect all of the industry's players or predict which will survive. "The commission cannot protect them from their mistakes."

While both groups of telephone companies said they were disappointed by the ruling, there was little dispute consumers did very well. In addition to the price restrictions, the commission also ruled that consumers and competitors will get rebates if the incumbents don't meet commission mandated service standards. The CRTC also approved the incumbents' service improvement plans to boost service for unserved areas and said it will consider the creation of a consumer bill of rights.

—Simon Tuck

From: Financial Post

May 31, 2001

After a 15-month review, the Canadian Radio-television and Telecommunications Commission unveiled a new regulatory regime yesterday that was supposed to encourage healthy competition within the country's telecommunications industry.

It is a decision, however, that is unlikely to please anyone – other than the millions of consumers who will not see prices for residential and business services rise by very much. Even the cost of a payphone call has been frozen for the time being.

For the incumbents and competitive carriers, the CRTC decision is a huge disappointment. Given that none of the carriers will be happy, it is almost a slam-dunk that one or more of them will appeal the CRTC's decision to the federal cabinet. This decision could easily become another political nightmare for the beleaguered Liberal government.

Rather than creating a new framework focused on nurturing competition and a healthy, profitable industry while protecting consumers, the CRTC played it far too safe and conservative. While there are some regulatory changes, it maintained the status quo. Instead of letting competition determine market prices based on supply and demand, the CRTC has basically ensured it will have to continue to play a regulatory role in the telephone industry. As one industry executive said yesterday, the CRTC will likely need to build several more stories of offices in their building" in Hull, Que. To regulate the telecom industry.

"The age of competition is officially over", said Eamon Hoey, senior partner with Hoey & Associates. "This decision is rolling back the clock. The commission is moving into very detailed regulation."

In fact, Mr. Hoey believes that the CRTC has turned its back on competition. The CRTC, he said, has adopted a new policy that suggest that "competition will fail to take hold in the local residential market, the business market is suspect, and all of the CRTC's earlier convictions about competition it will set aside."

While Mr. Hoey could be accused of being overly-dramatic, it is clear that the CRTC's decision is too consumer-friendly. The price freeze on local residential service, including value-added features such as voice-mail; the inflation-tied price limits for business services; and the consumer bill of rights suggest that the CRTC's commissioners has ignored the financial problems affecting carriers such as AT&T and Call-Net.

To have competition, you need competitors. By failing to level the playing field enough, the CRTC is making it more difficult for competition to thrive. Competition is good because it encour-

ages investment, innovation and new services. It creates a market where the companies with the best service and services win. If that's Bell and TELUS, fine – but at least make it a fair fight. But the CRTC has taken a different view. Unfortunately, it will mean that in the local residential market, for example, there is little chance that Call-Net can afford to aggressively roll out its new service.

It appears that the CRTC has decided that since competition is apparently alive and well in Canada, there is no need to make dramatic changes to the regulatory framework. The CRTC seems to believe that despite the dominance the traditional carriers established during decades of monopolistic rule, the carriers operating today have to stand on their two feet. It means AT&T, Call-Net and GT Group Telecom need to have the right strategies, the right cost structure and the right marketing plans to succeed. The CRTC seems to forget that nearly a dozen competitive carriers have disappeared in the past four years after it decided to loosen the regulations to allow more competition.

The disappointment among the competitive carriers is palpable.

"I don't think the commission is supporting a competitive environment," said William Linton, president and chief executive officer with Call-Net. "They went a little bit of a the way but they have determined they aren't going to make the steps necessary to level the playing field. Thus, you will have a struggling competitive environment."

The CRTC decision is even bad news for Bell Canada, led by John Sheridan, because it will receive reduced access fees from competitive carriers, and it will not be able to raise local residential and business prices. On the competitive front, there is very little to be positive about. Bell's willingness to invest in its infrastructure and new services could be curtailed because there are restrictions on how much of a return on investment it can make. And with Bell's rivals not getting as much as they wanted from the CRTC, it is unlikely that Bell will face as much competitive pressure to introduce new services.

If you take a long-term view, the CRTC decision is bad news for everyone, including consumers. By stifling competition, restricting market forces from playing themselves out, and introducing new layers of regulation, the CRTC has done the telecom business a disservice. It is entirely possible that competition in Canada could eventually disappear, leaving consumers with the same competitive environment as the airline industry. It is something to be concerned about.

—Mark Evans



TWU activists join Vancouver march and rally May 25 to protest BC government cuts

Tens of thousands join Vancouver protest march

Reprinted from:
Vancouver Province, May 26, 2002

Thousands of angry British Columbians spilled on to the streets of downtown Vancouver May 25 to vent their opposition to provincial government policies.

After marching through downtown streets, the crowd – estimated by police at 20,000 and by the BC Federation of Labour at 40,000 – gathered for a rally at nearby Sunset Beach.

Organizers had said before the demonstration that they expected a crowd similar to the one that lined the lawns of the legislature in Victoria in February.

That group numbered about 20,000 protestors.

One year after Premier Gordon Campbell and the BC Liberals formed the government, they have infuriated many groups – including teachers who have had their jobs declared an essential service, health-care professionals who have been legislated back to work with imposed contracts and seniors upset with changes to long-term care.

Virtually every group affected by Liberal policy changes in the past year was represented on the streets yesterday.

Jim Sinclair, president of the BC Federation of Labour, the group that coordinated the event, said he hoped the rally

would send a message to Campbell.

“You have no mandate to rip up this province,” Sinclair said to repeated cheers from the crowd.

“We are demanding this government stop evicting seniors and start treating the people who built this province with the dignity they deserve.”

Scott Clark, President of the United Native Nations, said he thinks the government must “realize that the cutbacks affect everyone, but they have particularly detrimental impact on aboriginal people, who are the poorest of the poor.”

Sinclair also said he hoped the rally would rival the effectiveness of the Solidarity Movement protests of 1983, when upwards of 40,000 converged in downtown Vancouver to oppose Social Credit government cutbacks.

The rally may not have been as large, but it was as colourful.

Signs reading, “Don’t wreck Public Auto Insurance” and “Hands off Hydro” bobbed amid others reading “Save the wild salmon” and “Gordzilla must be stopped.”

Balloons, aboriginal drummer, huge banners and bright costumes made for a dazzling display at the beach, but the light, drizzling rain seemed to dampen the mood as crowds started filing from the beach before the rally ended.

Organizing Update

The TWU’s organizers report that they have active union campaigns on in two of B.C.’s largest, American-owned call centers, Stream International, and RMH Teleservices Inc.

Stream is located in Chilliwack, and currently employs about 1,200 workers. The company is a third-party outsourcer for inbound technical support for electronic items and ISPs. Stream has offices in Canada, the U.S. and across the world. The interesting twist in this campaign is that shortly after we commenced it, the BCGEU also started their own effort to unionize the **same** group. The TWU activists who work for Stream have started their own website to assist in getting the word out in their workplace. Anyone interested should point their browser to <http://kickme.to/stream>.

Any TWU member who knows of friends or family working at the Chilliwack location is encouraged to contact the organizers.

The RMH office that the TWU is organizing is located in Nanaimo. The RMH is also a third-party outsourcer and currently has inbound and outbound work for its agents in ISP customer service and Long Distance sales. RMH has approximately 400 staff in Nanaimo with plans to increase to 1,000 positions. In addition, RMH recently announced its plans to open a second B.C. office, to be located in the old Revy store, in Surrey. We have been successful in establishing contacts in the Surrey location, and intend to provide organizing assistance to those workers, as well. This operation is supposed to house up to 1,000 employees doing similar work to Nanaimo. An RMH employee driven website has also been created and can be found at <http://thinkbig.at/rmh>.

Again, any member with contacts at either of those two RMH locations is urged to contact TWU organizers, Nicole Mitchell or Raymond Chretien, at TWU headquarters.

As a reminder, the TWU office accepts collect calls through *live* operators if tolls apply. You can also reach us by email at organizer@twu-canada.ca.

The Organizing Department also has helpful information on our recently revamped website, www.twu-canada.ca.

As always, any assistance members can give would be greatly appreciated.

Attention:
All TWU members
This process is entirely confidential

TWU Organizing Department Inquiry Form

Do you have friends, neighbours or relatives working in non-union jobs who would benefit from belonging to a Union or want more information about how to form a union? If “yes” please provide the following information:

Your Name: _____ Your Phone #: _____

Your e-mail: _____

Person you think would benefit from belonging to a Union:

Name: _____

Address: _____

City/Town: _____

Phone (include area code) _____

Current Employer: _____

Nature of Business: _____

E-mail: _____

Thank you for your participation. You have made a difference.

Please forward this information to the TWU via mail, fax, phone or email:

TELECOMMUNICATIONS WORKERS UNION

Organizing Department

5261 Lane Street

Burnaby BC V5H 4A6

Phone: 604-437-8601 ext. 630 (all collect calls will be accepted).

Fax: 604-435-7760

Website: www.twu-canada.ca

E-mail: organizer@twu-canada.ca

TW Pension Plan Financial Statement

TELECOMMUNICATION WORKERS PENSION PLAN
CONDENSED ANNUAL FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2001

(\$000'S)

	2001	2000
VALUE OF PLAN AT BEGINNING OF YEAR	1,874,160	1,622,858
ADD:		
INVESTMENT INCOME (NOTE 2)	40,934	33,478
CURRENT PERIOD CHANGE IN MARKET VALUE OF INVESTMENTS (NOTE 2)	38,279	217,667
CONTRIBUTIONS - EMPLOYERS'	58,827	59,104
CONTRIBUTIONS - PLAN PARTICIPANTS	23,736	23,866
INCOME FROM BROKERAGE PROGRAM	0	0
INCOME FROM SECURITIES LENDING PROGRAM	248	312
	162,024	334,427
LESS:		
PLAN BENEFITS:		
RETIREMENTS	72,507	69,506
TERMINATIONS	1,500	1,572
DEATHS	661	302
TRANSFERS OUT	0	4,937
RETURN OF EMPLOYEES' VOLUNTARY CONTRIBUTIONS	0	731
	74,668	77,048
PLAN EXPENSES:		
INVESTMENT MANAGEMENT FEES	1,639	1,617
ACTUARIAL AND CONSULTING	630	795
COMPUTER SERVICES	1,456	2,427
SALARIES AND EMPLOYEE BENEFITS	640	600
GOODS & SERVICES TAX	155	106
CUSTODIAL FEES	160	145
PROFESSIONAL FEES	130	103
OFFICE SUPPLIES AND RENT	166	151
FILING FEES	57	63
PRINTING, STATIONERY, POSTAGE AND TELEPHONE	45	48
TRUSTEE MEETINGS	10	24
INSURANCE	34	31
ADMINISTRATIVE RECOVERIES AND DIRECTORS FEES	(27)	(33)
	5,095	6,077
VALUE OF PLAN AT DECEMBER 31, 2001	\$1,956,421	\$1,874,160

DESCRIPTION OF ASSET (NOTE 1)

CASH	7,689	8,591
ACCRUED INVESTMENT INCOME	8,983	9,175
PREFERRED & COMMON STOCK	3	3
BONDS	1,522,700	1,564,353
GUARANTEED INVESTMENT CERTIFICATES	9,176	8,672
MORTGAGES	24,295	20,132
SHORT-TERM NOTES	141,958	54,817
OTHER INVESTMENTS	237,115	202,628
CONTRIBUTIONS RECEIVABLE	5,455	6,242
ACCOUNTS RECEIVABLE	779	657
	1,958,153	1,875,270
LESS LIABILITIES:		
ACCOUNTS PAYABLE	1523	881
BENEFITS PAYABLE	209	229
	1,732	1,110
NET ASSETS	\$1,956,421	\$1,874,160

NOTES:

- INVESTMENT INCOME INCLUDES ALL INTEREST AND DIVIDEND INCOME RECEIVED DURING THE YEAR. CURRENT PERIOD CHANGE IN MARKET VALUE OF INVESTMENTS INCLUDES ALL REALIZED AND UNREALIZED CAPITAL GAINS AND REAL ESTATE ADJUSTMENTS.
- THIS CONDENSED STATEMENT HAS BEEN PREPARED FROM THE AUDITOR'S ANNUAL REPORT TO THE TRUSTEES A COMPLETE COPY OF THE AUDITOR'S REPORT MAY BE OBTAINED FROM THE PENSION OFFICE AT THE ADDRESS LISTED BELOW.
- ACTUARIAL VALUATIONS OF THE PLAN ARE CARRIED OUT BY THE PLAN ACTUARY EVERY THREE YEARS TO DETERMINE ITS FINANCIAL CONDITION AND ASSIST THE TRUSTEES WITH POSSIBLE BENEFIT IMPROVEMENTS. THE LAST SUCH ACTUARIAL VALUATION WAS CARRIED OUT AS OF JANUARY 1, 1999.

FOR ANY ADDITIONAL INFORMATION ON THE PLAN PLEASE CONTACT THE PENSION OFFICE, 5261 LANE STREET, BURNABY, B.C. V5H 4A6 (412-2400)

Alberta, BC, only provinces with health care premiums

UNA/News Bulletin/ CALM

Alberta and British Columbia are the only provinces that have premiums for health care. B.C. just boosted premiums by 50 per cent. Alberta's increase was far lower than had been proposed by the Mazankowski Report. The report noted that premiums cover only about 10 per cent of the total health bill and recommended they be doubled to cover 20 per cent.

Just last year, before the Alberta election, Premier Ralph Klein had been musing about abolishing the premiums altogether, a suggestion New Democrats and Liberals touted as a progressive tax reform measure.

But the people pushing to privatize health care believe it is important to keep paying a personal health care bill. When everyone is used to paying a health care charge it makes it

less of a jump to paying a bill for supplementary insurance, or directly for health services. Health care premiums are a key component in changing the way people view health care costs and making sure they see these costs as their personal costs.

The health debit card, also proposed by the Mazankowski Report, would make it easy to send everyone a statement on personal health care costs and would set up a system ready-made for user fees. Like medical savings accounts.

But the strength and effectiveness of medicare is just the opposite of all this. With medicare, health care is a social cost, like roads or schools, a cost we pay through our taxes, preferably progressive taxes. We all benefit and we all have the security of a public system that is there when our family needs it, whether we can afford a personal bill or not.



British Columbia Transplant Society

Registration to Become an Organ Donor

Print in **BLOCK LETTERS** using ink

No registration confirmation will be sent. If you wish confirmation, please contact us at 1-800-663-6189

BC Care
Card No.
(Personal
Health No.)

Date of
Birth

Year Month Day

Sex Male Female

Surname

First Name

Address

City

BC

Postal Code

I hereby consent to the following donation after my death:
(Please check **ONE BOX** only.)

- All organs and tissues needed for transplant or transplant research **or**
- All organs and tissues needed for transplant only **or**
- All organs and tissues needed for transplant **EXCEPT** the following:

Heart Kidneys Cornea

Lung Pancreas Skin

Liver Bowel Bone **or**

4. I do not wish to be a donor.

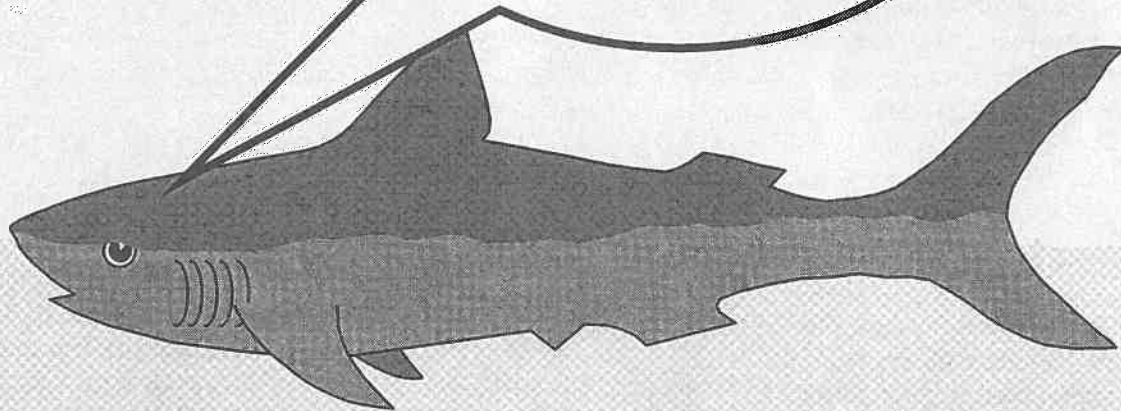
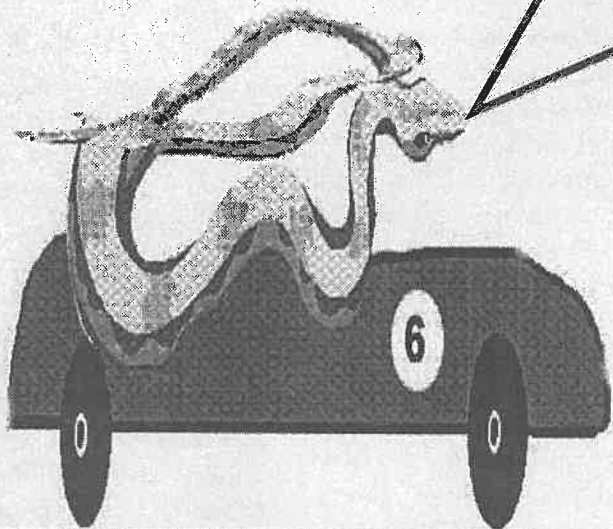
This completed form constitutes a legally valid consent under the Human Tissue Gift Act and meets the criteria of the BC Freedom of Information and Protection of Privacy Act

Signature of donor: (A parent/guardian must sign if donor is under the age of 19)

Date of Signature:

MY EMPLOYEES
JUST DON'T SEEM
TO TRUST ME
THESE DAYS!

YOU TOO?



Thanks to Cartoonist Michael Thompson, Local 50

TW LTD Plan Financial Statement

TELECOMMUNICATION WORKERS LTD PLAN
CONDENSED ANNUAL FINANCIAL STATEMENT
YEAR ENDED DECEMBER 31, 2001

	2001	2000	1999	1998	1997
VALUE OF PLAN AT DECEMBER 31, 2000	\$ 42,453,539	\$40,178,863	\$44,255,510	\$39,262,892	\$33,117,242
ADD:					
INVESTMENT INCOME (NOTE 2)	1,941,115	1,862,036	1,805,527	1,804,730	1,897,287
CURRENT PERIOD CHANGE IN MARKET VALUE OF INVESTMENTS (NOTE 2)	531,287	3,172,251	(3,824,436)	3,319,883	4,275,184
EMPLOYERS' CONTRIBUTIONS	3,729,241	1,239,543	1,288,010	3,703,754	3,531,815
	6,201,643	6,273,830	(730,899)	8,828,367	9,504,086
DEDUCT:					
PLAN BENEFITS:					
DISABILITIES	3,845,883	3,676,600	3,221,785	3,521,533	3,116,280
PLAN EXPENSES:					
RENT, PARKING AND SECURITY	46,375	27,272	47,113		
ACTUARIAL AND CONSULTING	69,230	95,790	43,142	59,033	83,294
INVESTMENT MANAGEMENT FEES	32,441	31,639	31,757	70,194	66,191
PROFESSIONAL FEES	20,806	20,526	30,300	15,000	13,031
SALARIES	29,996	30,113	26,438		
INSURANCE	31,177	27,208	24,375	23,200	21,950
GOODS & SERVICES TAX (RECOVERY)	8,849	10,091	7,891	10,158	13,558
PRINTING, STATIONERY, POSTAGE AND TELEPHONE	10,379	9,064	5,028		
COMPUTER	1,540	3,816	3,825	31,915	42,469
CUSTODIAL FEES	1,083	1,000	1,000	833	1,000
TRUSTEE EXPENSES	1,173	937	776		
INCOME TAX EXPENSE (RECOVERY)	0	64,900	(97,280)	701	683
	252,849	322,354	124,163	211,034	242,176
VALUE OF PLAN AT DECEMBER 31, 2001	\$44,556,650	\$42,453,539	\$40,178,863	\$44,358,892	\$39,262,892
DESCRIPTION OF NET ASSTS (NOTE 1)					
CASH	470,593	\$397,884	\$420,851	\$532,055	\$362,155
CONTRIBUTIONS RECEIVABLE	322,351	92,992	150,124	437,358	406,853
ACCRUED INTEREST	278,916	157,248	285,022	315,858	339,348
SHORT TERM NOTES	482,436	2,344,051	2,007,437	3,444,544	556,877
BONDS	37,088,854	23,765,584	22,903,450	22,388,761	22,125,665
INTEREST COUPONS	6,074,113	15,665,113	14,340,571	17,060,170	
AMOUNTS RECEIVABLE	0	30,526	3,536	110,827	15,510,183
INCOME TAXES RECEIVABLE	5,704	32,400	97,300	110,827	0
	44,722,967	42,485,798	40,208,291	44,400,398	39,301,081
LESS LIABILITIES:					
ACCOUNTS PAYABLE	136,317	32,259	29,628	34,081	38,189
BENEFITS PAYABLE	30,000	0	0	0	97,300
TOTAL	\$44,556,650	\$42,453,539	\$40,178,863	\$44,366,337	\$39,165,592

NOTES:

- ASSET VALUES HAVE BEEN DETERMINED USING MARKET VALUES FOR ALL INVESTMENTS.
- INVESTMENT INCOME INCLUDES ALL INTEREST AND DIVIDEND INCOME RECEIVED DURING THE YEAR. CURRENT PERIOD CHANGE IN MARKET VALUE OF INVESTMENTS INCLUDES ALL REALIZED AND UNREALIZED GAINS AND LOSSES.
- THIS CONDENSED STATEMENT HAS BEEN PREPARED FROM THE AUDITOR'S ANNUAL REPORT TO THE TRUSTEES. A COMPLETE COPY OF THE AUDITOR'S REPORT MAY BE OBTAINED FROM THE PENSION OFFICE AT THE ADDRESS LISTED BELOW.
- THE PLAN IS TOTALLY FUNDED THROUGH EMPLOYER CONTRIBUTIONS DETERMINED BY THE TRUSTEES ON THE ADVICE OF THE PLAN'S ACTUARY AS TO THE AMOUNT REQUIRED TO MAINTAIN THE PLAN ON A SOUND ACTUARIAL BASIS.

FOR ANY ADDITIONAL INFORMATION ON THE PLAN PLEASE CONTACT THE PENSION OFFICE,
#303 - 4803 KINGSWAY, BURNABY, B.C. V5H 4M4 (604)412-2400.

Alta. teachers gain victory

Reprinted from: Labour News
Alberta Federation of Labour

Edmonton – The Alberta Teachers Association (ATA) has won an important victory in its current dispute with the Alberta government. In exchange for dropping any legal challenge to the controversial Bill 12, the Education Services Settlement Act (ESSA), and for encouraging teachers to begin providing voluntary services again, the ATA has gained major concessions from the government and school boards.

"The heart of the agreement involves assurances of a fairer arbitration process, and payment by the government of teachers' portion of the unfunded pension liability for the coming year," said ATA President Larry Booi.

In a memorandum of agreement signed by the ATA, the Government of Alberta and the Alberta School Boards Association on April 18, 2002, the parties agreed to terms which neutralize much of the blatantly unfair arbitration provisions of Bill 12.

Working conditions – including teacher-pupil ratios, class size and other classroom conditions – may now be brought in front of the Bill 12 tribunal for consideration in any salary award. Further, even though such matters may not be part of an award, the various school boards and ATA locals may sign letters of understanding that will govern these issues now, and letters of intent that will roll such "side deals" into collective agreements that come into force following the expiration of Bill 12 on August 31, 2003.

According to Booi, "the ATA can introduce new items [outside of collective agreements] in response to the loss of working conditions contract provisions resulting from the ESSA.

The agreement also opens the door to higher wage increases for teachers by blunting the Bill 12 provisions that no tribunal award may cause a school board to run a deficit or to increase an existing deficit. Now, the tribunal need only satisfied that there may be a potential means by which a board might implement an award that would otherwise contravene Bill 12.

This opens the door to tribunal awards matching the 12 per cent increases already agreed to by some boards outside of Bill 12. According to Alberta Federation of Labour President Les Steel, that needs to be done in order to preserve fairness. "You simply can't have a tribunal awarding substantially lower increases to teachers that fall within its purview than teachers outside of the process have already gained," said Steel.

Health and Safety Committee report to convention

Following are excerpts from the report of the Health and Safety Committee to March convention

This past year has been a difficult one for the Health & Safety Committee. The Company has used many of the same tactics on us that are proving so difficult for the Bargaining Committee. Unilaterally, and without explanation, the Company continues to toss aside agreements and procedures built up over the years. They meet with us and agree to terms but then promptly double back on us, refusing to abide by the agreements. More significantly, they also refuse to abide by the new Labour Code in a host of serious ways and we have had to call for help from the HRDC Safety Officer on several occasions. These requests for help are coming with increasing frequency and the next few months will see a large number of new ones. There is a new Bomb Threat Policy that will almost certainly result in job action, unless the Safety Officer is successful in changing not only the Company's policy but their attitude on this extremely potent issue.

There are significant bright spots, not the least of which is the fact that the Company picked up all the costs for Committee members to travel to, prepare for, and attend the Policy Committee meetings. Another is that the infusion of higher-level management onto the Committee has continued to pay off. Operational safety issues are being resolved sensibly and quickly in most jurisdictions and the message is continuing to filter down to many of the managers on the workplace committees. Prior to this participation by upper management, we wrangled for months over the most picayune issues. We will continue to make every effort to cooperate with the managers who are joining in and working with us. The difficulties come almost exclusively with regard to policy issues or any issue that involves Corporate Safety. Relations on that front deteriorate steadily.

The expansion of our Committee's jurisdiction into Alberta has progressed. Alberta committees continue to function under the auspices of their local executives. In instances where the jurisdiction is unclear, this Committee will assist by making recommendations to the locals. During the coming year, all Alberta workplace commit-

tee members will have passed the two-year mark in their positions and will need to have their appointments confirmed by the TWU local representing their worksites. We will assist and advise them in this necessary process, as required.

The addition of Brother Rob Pagacz and the continued participation of Sister Joyce Hill have enhanced the Committee's ability to work with the issues that are unique to Alberta. Further appointments may have to wait until the Company makes a commitment on several issues. They want to reduce the size of the Committee, which is impractical.

VEHICLE SUB-COMMITTEE

The Vehicle Sub-Committee has been and is continuing to work on issues concerning safety and vehicle ergonomics. For instance, ladder rack extensions for vans requiring 30' two-piece ladders are now available through fleet on a required basis. The longstanding issue of running boards on cab chassis vans has been resolved. Other issues of concern are the various profiles of standard equipment that vehicles are presently being equipped with.

REMOTE SITE ACCESS

As a result of a local committee initiative from Northeastern Alberta, combination lock boxes with a door key have been installed in remote sites. The purpose is to allow emergency building access in case of being accidentally locked out. These boxes are now available through TELUS.

RF RADIATION

RF radiation surveys are again being implemented as an annual routine as per Safety Code 6 requirements. Also the provisioning of proper personal RF detectors across all required RF frequencies for craftspersons will be a focus in the upcoming year.

FIRST AID TRAINING

With the Canada Labour Code Part II amendments, some changes were in order with respect to First Aid. Training and implementation of these changes are ongoing. First Aid Kits must be provided and adequately supplied with required first aid items for every worksite. A list of first aid at-

tendants and their phone numbers must be posted at or near each first aid station. Also first aid attendants must be readily available in every worksite during all working hours. Although the Code states that a first aid attendant be available where six or more employees are working at any given time (office workplaces), it is our recommendation that the Company exceed minimum requirements and train more employees so that everyone is covered, even when there are fewer than six on duty at any given time.

OPERATOR SERV. TIME OFF FOR SAFETY DUTIES

There have been occasions in the past with Operator Service managers not allowing time off the board for safety meetings and other safety-related duties. Although Senior Operator Service management has stated this should no longer be an issue and have also spoken with their first and second-level managers, we are monitoring and would ask that any instances where scheduled meetings are being cancelled or requests to perform safety duties are being denied, be brought to the attention of your Policy Health & Safety representative.

VIOLENCE IN THE WORKPLACE PREVENTION

The Union side of the Sub-Committee continued to push the issue this year. With the introduction of the new Labour Code, TELUS refused to sign a Letter of Agreement implementing the Policy. They rewrote the Policy instead, making significant changes. We challenged their right to do this and filed a complaint with HRDC charging the Company with unilaterally changing the Policy and asking HRDC to define the words "consult" and "participate" as they are used in the Code.

HRDC ruled that the Company has the right to create and change Policy but declined to define the words "consult" and "participate."

The Sub-Committee attempted again to have changes made to the Policy but in January 2002 the Company said that they intend to implement the Policy as it is. When the Policy is implemented, we will challenge the parts which do not meet the Code and are unacceptable to us.

EMERGENCY & EVACUAT'N DRILL

As it states in the Labour Code, at least once every year an evacuation or emergency drill must be conducted. If it is not practical for an entire building to evacuate at the same time, it should be staggered or managed so that each and every department has had their drill. This problem has crept up with Call Centre areas where the employees were told to stay working, their work was too important to participate in a drill. Both sides of the Policy Committee agree that this should not be happening and we need to know if and when it does.

LOCAL H & S COMMITTEES

Each Union member of the Policy Committee is assigned as a contact person for several of the local Health & Safety Committees. As a contact person, the Committee member acts as a resource to the local committee and as an interface between the local committee and the Policy Committee. To fulfil our obligations it is important that we establish and maintain contact with the local committees.

As we said last year and the year before, and we are saying again, we welcome invitations to visit each of the committees at least once each year. Management deals with all our committees in a manner that is consistent and informed, emphasizing their interpretation of procedures, while the Union members of the committees tend to operate in isolation, except for their contact with us. We will continue to develop this program in the coming year.

POWER TAILGATE LOAD TESTING

As a result of two failures in Victoria, the Company has agreed to load test all power tailgates annually. This finally came about as a result of a recommendation from the local committee that was subsequently referred to our Committee.

CONE POLICY

TELUS Cone Policy states that all vehicles with a TELUS logo must use safety cones. Presently Alberta vehicles, BC cars and some of the newer vans without cone holders do not use cones when parked. The purpose of the Cone Policy being used is a safety concern which helps ensure one's vehicle is circle checked.

HUMAN FACTORS WORKING GROUP

The Human Factors Working Group (HFWG) is a joint Union-Management Committee comprised of a minimum of four Union members and a minimum of four management members. The Committee meets monthly to consider human factors concerns and requests for information from around the province.

The HFWG has been meeting as a committee since October 1989. Over the past ten years, the HFWG has conducted almost 200 workplace audits and presented ergonomics training sessions to thousands of employees.

The HFWG is responsible for:

- Performing workplace audits
- Facilitating the implementation of recommendations to help improve workstations and work areas, etc.
- Presenting ergonomics awareness training, e.g. "At Your Fingertips", "TOPS MP - A Personal Touch", including proper use of office equipment and stretching exercises
- Assisting in the evaluation of new products
- Reviewing and commenting on policy established by the Human Factors office.

For the information of the Delegates, the current members of the HFWG are: *Allan Haggstrom (Co-Chairperson), Wayne Bennetts, Joan Haggstrom, Lori Hannis, George Doubt (BA).*

CURRENT ISSUES

Some of the other issues the HFWG is working on include:

- Laptop computer use by outside plant personnel
- Redesign of the Langley Paint Shop
- Training Local Ergonomic Teams
- Training and issues surrounding the introduction of IWS workstations into Operator Service.

*Respectfully submitted,
TWU HEALTH & SAFETY
COMMITTEE*

*Wayne Bennetts, Chair
Al Haggstrom, Secretary
Norm Eady, Lori Hannis,
Joyce Hill, Ernie Iwaskow,
Don Jones, Robin Lyman,
Rob Pagacz, Don Stang
Tim Williams, Business
Agent
George Doubt, Business
Agent (backup)*

Human Rights Committee report to convention

Following are excerpts from the report of the Human Rights Committee to March 2002 convention

The Committee met for two-day meetings twice over the past year. In 2001 members from both Alberta and BC met for the first time. We enjoyed meeting together and the opportunity to compare, collaborate and coordinate Committee work across provinces. In addition, the Committee convened January 7 - 8, 2002 to review human rights issues and activities of the previous and coming year, and to address the motions and the report for Convention 2002. This report overviews our goals and highlights some areas of interest, with further reference material provided in separate packages for your resource needs.

OVERVIEW OF GOALS AND INITIATIVES

The **Human Rights Liaison Initiative** has been a positive program to assist in our advocacy. We have provided liaisons with reference manuals updated on an ongoing basis. The program is an effective channel for two-way communication regarding human rights issues. We continue to develop and utilized the network of liaisons throughout the locals.

Other channels of communication include the Transmitter, bulletins and our web page. We continue to develop the human rights web page as a tool for communication and information sharing with the membership. Visit us at <http://www.twu-canada.ca>. Additionally, we also reach out to you through distribution of direct mail bulletins regarding novel or pressing issues. With a focus on liaisons, bulletin mail-outs and the website, we found that we under-utilized quarterly access to the Transmitter over this past year. We will look towards publishing articles of interest in the coming year. We are interested in hearing from you about how we can best address your issues of interest and concern.

Monitoring policies and practices is an ever-present chal-

lenge. Our goals include the preservation of existing rights, the protection of members' individual rights, and to stretch objectives to ensure that processes are integrated in a manner that effectively promote the rights of members.

Areas of focus over previous and current year

JOINT WORKPLACE HARASSMENT POLICY

The joint policy with TELUS remains in effect. It continues to be a challenge where the Company is not fully engaged in the process (other than at the level of initial complaint generation). A joint policy has been created at Campbell Goodell Traynor and a related training course is planned for rollout in spring 2002 from the Education Committee.

GRIEVING HUMAN RIGHTS

There are various ways of addressing human rights issues. The grievance procedure is always there and solidly in place. We have the Workplace Harassment Policy in place. We have the Canadian Human Rights Commission, Labour Boards and Charter of Rights. Through mediation and putting resolves in place is the best and quickest way to resolve human rights issues. Our members, at any time, may go to the Human Rights Commission and file a complaint if they face discrimination under prohibited grounds of the Human Rights Act.

The Union has filed a Policy Grievance against TELUS. The issue is how they apply sick credits and discriminate against the members who have a disability. We need to change this practice.

8 - Disability Complaints.

1 - Policy on Disability.

1 - Sexual Harassment Complaint.

1 - Gender Discrimination.

1 - Drug & Alcohol.

In Alberta, we have three complaints filed with the Commission. Three complaints on disability in Alberta that have gone to civil court by the Union.

In BC, harassment complaint found to be false through third-party investigation; Drug and alcohol complaint won with a settlement; and Disability complaint resolved with a settlement.

A course is planned for rollout in spring 2002 from the Education Committee regarding human rights in the workplace under the Collective Agreement at TELUS.

EMPLOYMENT EQUITY

The Committee is currently reviewing proposed policy regarding Duty to Accommodate at TELUS.

TELUS has many issues in regard to Duty to Accommodate. The Policy that we have just developed will put a process in place to ensure that whoever requests a Duty to Accommodate, their request will be heard and a process in place to ensure that, if needed, it does happen. The Policy also puts in a process to take it to arbitration and an appeal process for the member. The biggest issue today is the request for an accommodation for someone with a disability. Whether it be protections under the Collective Agreement or for CPP disability, these members are suffering extreme hardships and intimidation by TELUS. We, as a Union, can work together to stop some of these sweatshop ideas and give all our members the dignity they deserve.

TELUS must have a Duty to Accommodate Policy in place for the Employment Equity audit. This Policy has had input from our lawyer, Shona Moore, Susan O'Donnell from the BC Human Rights Commission, and the TWU Employment Equity Committee and the guidelines followed from the Canadian Human Rights Commission. It stays within the law of the Employment Equity Act and the

Canadian Human Rights Act.

The Federal Employment Equity Act is under its five-year review. As the Human Rights Officer, I had an opportunity to attend the consultation meetings for Alberta and BC. These meetings included people from employers, disability advocates, union representatives, the Federations of Labour and the CLC, to talk about what needed to change, if anything. One issue that was very forefront in my mind was the need for education.

In the skilled crafts and trades, TELUS' gap for visible minorities and disabilities is the biggest. Aboriginal and women are not as big but TELUS has not come to compliance in any area yet. TELUS has a three-year goal to meet compliance. These figures are reached from the Employment Equity survey and at the time of new hires. TELUS, under the Act, must collaborate with the trade union. What does this mean to TELUS? We are committed and we will work towards meaningful meetings with TELUS to ensure the Union is involved at all levels to help promote the aims and objectives of the Employment Equity Act.

The Committee will stay close to the issues and will be directly involved in the changes and submissions to Employment Equity Act review.

CANADIAN HUMAN RIGHTS ACT REVIEW

Over the last year we followed the progress of this review and the potential impacts on TWU members. The Panel's 165 recommendations address a number of issues ranging from the human rights process to additional protections. The report contains important recommendations relevant to the membership. They are cross-cutting and touch on the mandates of many different federal departments. The Government of Canada is currently reviewing the Panel's recommendations in detail. This remains

under the consideration of the Federal Minister of Justice and has not yet been addressed publicly. We will continue to monitor progress in this area with a view to protecting and promoting members' rights.

ANTI-RACISM

We continue to do work in the areas of anti-racism and anti-hate group work. Although the Committee did not attend the National Anti-Racism Conference in Ottawa in the fall as planned, Sister June Lewis has provided a report and package of reference materials. We have included the materials for your reference in our Appendix of Resource Materials and continue our work in this area.

CONCLUDING REMARKS

Your Human Rights Committee is committed to promotion and protection of human rights - particularly related to TWU members and the workplace. We intend to continue work on our goals and build on our successes throughout the coming year. We value your feedback as to what methods work well and how our access and assistance to one another may be improved. We value your issues, input and inquiries, and encourage members across Canada to keep in touch with the Committee. Throughout the year, locals may contact the Committee via the TWU Lane Street office, in Burnaby. In addition, direction may be given to our Committee via Executive Council between Conventions and also by way of resolutions to annual Conventions.

Respectfully submitted,

TWU HUMAN RIGHTS COMMITTEE

Liisa Spoor (Chairperson)

Wes Nakano (for Larry Smallwood)

Beula Rajan

Diane Walkley

June Lewis,

*Business Agent/
Human Rights Officer*



Rod Hiebert

President's Report

Creative accounting: the Entwistle formula

For the past year and a half, TELUS shares have been falling steadily. During the same period, compensation for CEO Darren Entwistle and his executive team have risen dramatically. There is more to this anomaly than simple coincidence. And, unfortunately, there are more storm clouds on the horizon.

Two years ago, Darren Entwistle was appointed as TELUS CEO. Despite the fact that the Company was a stable, blue chip Company with a solid record of achievements and earnings, Entwistle brought with him an agenda designed to drastically change it. Determined to "improve" things, he set out to sell non-core assets and to get rid of one-third of the employee base while promoting one-third, and hiring one-third as new employees.

As part of his plan, Entwistle brought in an aggressive, expensive, and stress-inducing Industrial Relations campaign designed to change the TELUS "culture." Unfortunately, he has stuck to his plan despite its disastrous effects. While we have all seen the glitzy, expensive television and newspaper ads, as well as articles and editorials describing Entwistle's "success," the results for shareholders, employees, and telephone users have been hugely negative.

Anyone trying to understand the connection between falling share prices and the Company's new strategy should look at the measure Darren and his team use to gauge "success." In the TELUS 2001 Annual Report to Shareholders, the term "EBITDA" is highlighted throughout the report. Page one is headed "FINANCIAL AND OPERATING HIGHLIGHTS." The first line declares that "TELUS delivers revenue and EBITDA growth." On page 41, under the heading "KEY PRIORITIES AND TARGETS FOR

2002," the report states that "TELUS is focussed on achieving solid underlying growth in revenue and EBITDA in 2002 facilitated by targeted capital investment and aggressive growth targets."

What does this mean? What is the significance of EBITDA? People who are familiar with profit and loss statements, debt/equity ratios, net earnings, assets vs. liabilities, revenues and amortization use them to evaluate an organization's financial health and to compare this with how the organization performed the previous year. These simple but effective tools reveal whether a company has been successful or not. Unfortunately, on traditional tests like these, TELUS' current performance earns a failing grade. In all likelihood, this is why the people who are now running the Company chose highly unorthodox criteria to evaluate their Company's performance.

During the dot.com era, unscrupulous stock promoters tried to sell potential buyers on the idea that share value in the technology sector would steadily increase regardless of how companies performed on traditional financial measures. At that time, some technology companies were trading at prices 250 times their earnings and people were investing huge sums in companies that never earned a profit. But corporate executives were able to exploit the public's gullibility by pretending that economic fundamentals did not apply to the New Economy. To make matters worse, these same executives enjoyed bloated compensation packages as long as people continued to believe that the paper boom would never end.

As part of the smoke and mirrors tactic they used to confuse investors during the dot.com years, these same executives developed financial concepts like EBITDA, which en-

sured that accounting practices lined up with the magic of the New Economy.

In the aftermath of the fallout from fiascos like the Enron bankruptcy, financial analysts and accounting professionals are now seriously questioning this type of accounting. Even BCE acknowledged in its 2002 Consolidated Financial Statements that "EBITDA does not have a standardized meaning prescribed by Canadian Generally Accepted Accounting Principles (GAPP) and therefore may not be comparable to ... measures presented by other publicly traded companies."

TELUS was created through a merger between TELUS and BCTEL in 1998/1999. After three years, the TELUS/BCTEL merger is still in turmoil. TELUS shares have fallen from an all time high of \$58 to an all time low of \$14.

To make matters worse, Darren Entwistle and his team have introduced a controversial Industrial Relations program that has created tremendous stress and turmoil on the jobsite; initiated several questionable acquisitions in which they made their purchases at the top of the business cycle; ignored existing corporate culture; and chose EBITDA as their favoured financial measure. In the process they have transformed a stellar company whose stock prices and profits were steadily rising into a mediocre company which is focussing on mindless cost cutting. It is not surprising that the result has been a dramatic decline in share prices.

Under Entwistle's magical formula, shareholders lose value, management carries out mindless cost-cutting by attacking employees, and customers' service quality declines – yet the CEO and his Executive team are rewarded with huge compensation increases. Given

this disastrous game plan, we're fortunate that things have not degenerated even further.

Can the internal turmoil and negative financial effects that have been generated by Entwistle's brilliant strategy be turned around by further applications of his current strategy? Not likely. Downsizing will only lead to further deterioration in service quality, decreased customer satisfaction, increased stress in the workplace as employees attempt to do more with less, and an adverse public reaction as jobs are destroyed in communities where they are desperately needed.

At a time when stability and success require corporations to plan for the retirement of the baby boomers and deal with the shortage of skilled workers that will result, TELUS appears intent on going through a major downsizing. This shortsighted approach is designed to increase the Company's share prices. But whether or not that goal is achieved, the strategy will flood the job market with trained communications workers who have a wealth of experience in the industry and who are willing to work hard for competitors!

Proponents of downsizing not only ignore the devastating effects that the loss of highly trained, loyal employees has on organizational capacity; they also ignore the effects on the morale of the employees who survive the cuts.

This is not the first time that we have been put through a destructive reorganization at the phone company. Several years ago, upper level management at BCTEL deployed a Profit Centre Strategy which rewarded Area General Managers for the results generated in their part of the operation. This strategy sounded great in theory, but it proved to be

disastrous in practice. A former BCTEL Executive Officer revealed to me that under the Profit Centre Strategy, Area General Managers became experts at generating the statistics they needed to get their financial bonuses instead of paying attention to the Company's organizational needs. As a result, customers in some areas who were just a short distance from switching offices were having difficulty getting a dial tone.

Instead of proceeding with a discredited downsizing strategy, staff cuts and public relations hype, TELUS should be concentrating on providing high quality service to customers, winning back the loyalty of employees, and generating good returns for shareholders. The Company should focus on stabilizing its internal environment and showing that it respects and values both its employees and its customers. All this would entail a dramatic change of direction. It would require the Company to abandon discredited financial tools like EBITDA and get back to financial basics. It would require the Company to treat its employees as valuable assets, not cost items.

Downsizing in one part of the Company at the same time that new employees are being hired in another, as TELUS plans to do, can only have a detrimental effect on overall organizational capacity and morale. The Company can address the enormous challenges confronting the industry, including the integration of new units and new technologies – but only if the Company utilizes its experienced, trained workforce to evaluate and satisfy customers' needs and if it provides them with the resources they need to do their jobs properly.