

**Component Secretary-Treasurer's Response To
Air Canada Component Trustees' Report & Recommendations
Audit Period July 1, 2011 – June 30, 2012**

As Component Secretary-Treasurer, my mandate under the Air Canada Component By-Laws requires that a response be provided to the Component Trustees report.

The Air Canada Component Bylaws were established by a referendum vote by the majority of our members and approved by the CUPE National President. These Component Bylaws are subordinate to the CUPE Constitution.

The expenses that are eligible for reimbursement by the Air Canada Component of CUPE are outlined in the Air Canada Component Bylaws. You will note that my responses are in accordance with our Air Canada Component Bylaws.

I have noticed that trustees are often referring in their report to a document titled Air Canada Component Expense policies 2008. That document was written six years ago by a previous President. It was never motioned, or proposed to be amended into our Component Bylaws by a membership referendum vote.

After searching in our archives we've found another document titled Air Canada Component Financial Policies, 2005. Again written by a previous President nine years ago, but never amended in our bylaws.

The Component Officers strongly believe that some of our bylaws need to be revised with additional language to clearly define our rules. Amending our bylaws is the only way to make these changes to a standard practice.

Also the trustee report should not reflect a person's actual name and should only reflect the Union position they held.

I would like to thank the Trustees for their important work. You will find in red below my following responses to the Trustees' recommendations.

In Solidarity,

Anna Clauser
Interim Secretary Treasurer

February 5, 2014

Air Canada Component Trustee report for ACCEX, July 2011 to June 2012

Dear ACCEX members,

As we come to a close on our 2011-2012 audit, we are required to discuss our findings and recommendations with the executive board. We request that you view the recommendation and respond with any finding that we have requested.

We would like to finalize this at your earliest convenience and once we receive your response we will submit a response to the members and CUPE National.

Please find below a list of all findings and recommendations.

IAM Contract

The IAM contract represents the members that work at the Belfield office. It includes all office support staff excluding those employed by CUPE National. They joined IAM District 140 in the fall of 2009 and they finalized their first collective agreement during this term, November 2011. Legal counsel of the component recommended that the component use a management consultant to assist with negotiations. This advice was somewhat followed. We retained Crawford Chondon and Partners at a full fee of \$23,304.44.

This flowed over from the previous term. We are unclear as to what services were rendered for this fee. We would request further clarity and copies of invoices. It was also understood by the trustees that Nick did not use the services and we are questioning why we maintained the services if they were not used. The Secretary Treasurer took it upon himself to negotiate and finalize the collective agreement. We feel that this contract, due to its value, should have been further discussed and voted on prior to implementation with the ACCEX. Our recommendation is that in the future any and all collective agreements that bind the Component to any working group should be ratified by ACCEX.

Component Secretary-Treasurer Response:

The fee of \$23,304.44 should have been paid prior to July 2011 because the company was not used during the above audit period. The Company was hired by the previous Component Officers.

With the exception of the attached CA review receipt which was at a cost of \$1,288.00, no monies were spent on these negotiations. The contract was completely bargained by the previous Component Secretary-Treasurer with the help of the other two Component Officers, the Component President and Vice-President.

The previous Component Officers during the period of 2009 & 2010 hired Crawford Chondon and their agreement was not known to this group.

We are in agreement that the IAM contracts should be reviewed by ACCEX and this is how it will be handled this time around.

Please also note that the above date was corrected. They joined the IAM District 140 in 2009 and not 2011.

Expense Forms

Expense forms are used to pay members money for union work performed. According to the Component bylaws, they must be signed, dated, properly filled out and submitted within 180 days. We noted that there were expenses claims filled out past the 180 days and were still paid. We noted many forms undated, unsigned, and not completed with pertinent information. We believe these bylaws are here for a reason as well to protect the component finances and must be adhered to.

Component Secretary-Treasurer Response:

We agree that as per the Air Canada Component By-laws SECTION 7 - Article 7.4 a motion should have been put forward to pay any expenses submitted 180 days after being incurred.

The current administration is monitoring this closely. It is the responsibility of each Union member to sign and date their expense forms. In addition the expense form must be signed by a Component Officer to be approved for payment. In this case the motion should have been attached with the expense form.

Expense Form Signatures

When a union member conducts union work and fills out an expense form to be reimbursed for their expenses these forms need to be signed by the chair of the committee. If the chair of the committee is filling out these forms they need to be signed off by someone other than themselves. This practice has not been complied with and results in the loss of a layer of accountability. We feel the process as it is stated needs to be adhered to and a separate party need to approve payments.

Component Secretary-Treasurer Response:

Per our Component Bylaws SECTION 7 - 7.1 when any Union members conduct Union work all flight releases and expenses must be authorized in advance by one of the Component Officers. The members must sign and date the expense form. As a layer of accountability the expense form must be signed by one of the Component Officers. Furthermore, for more accountability the emitted cheque must be signed by the Component President and the Component Secretary-Treasurer.

Expense Increase

Many members who did union work and were paid expenses prior to the ratification of the last collective agreement were "owed" the increase in retro expenses (10%). Forms were completed however they were not signed off by the Sec Tres. Description was also limited. We are mentioning this as a point of clarity.

Household Internet

Many members of committees as well as Component Officers were claiming 100% of their home internet. The expense policy, Section 8.2 states: "reasonable hotel, meeting and other expenses once properly substantiated". We feel that a limit should be put on all home internet, maxing out at 50% and that the member should have this preauthorized. It is also fair to point out none of the internet

expenses had preauthorization attached. We will also be making a recommendation to ask that the expense policy will reflect this change.

Component Secretary-Treasurer Response:

The permanent solution is to propose Bylaw amendments to reflect a monthly payment limitation on mobile phone and Internet expenses by a referendum vote.

Credit Card Usage

A member on staff at component office used their personal credit card for company usage. The bill was for roughly \$4000.00. Our concern with this is that any expenses for the membership should be charged via proper method and means. Personal credit cards should not be used for union expenses.

Component Secretary-Treasurer Response:

Whereas we agree with this philosophy, sometimes a need for expediency is urgently required. This would be the exception and not the rule.

Component Officer Cheques

Component officers are paid by cheque and are sometimes in the position where they have to sign their own cheques. We feel there should be a third signing officer so that no officer signs their own cheque. We recommend that the component VP be required to be a signing officer.

Component Secretary-Treasurer Response:

The current administration revised this process and have implemented a third signing officer.

Phone Upgrades

Phone upgrades are when people add on better hardware. This was done by a member on a committee at the Component level. We feel that this type of expense is not to be compensated by the Component unless the phone is owned by the Component and previous written consent is given by Component.

Component Secretary-Treasurer Response:

The Air Canada Component Bylaws governed the expense process. Every expense must preauthorized by one of the Component Officers.

Bulletin Stuffing

In Toronto the Component compensates any member that is willing to place bulletins in member's mail folders. Since this process takes over 5 hours, they are compensated \$150.00, tax free. Each distribution is roughly 4000 copies. We believe that this process should be budgeted as an honorarium and fair compensation should be given for travel and/or pickup as well as meal expenses if worked through a meal period. Each distribution is roughly 4000 copies. This should be incorporated in to the Expense Policy.

Component Secretary-Treasurer Response:

Bulletin stuffing is based on a voluntary position. The Toronto Local is the only base that Component

compensates for stuffing.

The \$150.00 flat rate is reasonable. Anything more than that, the ACCEX would have to have a discussion and make a decision on its cost effectiveness.

Member at Large

Dues payments to the local were being mailed to her in the United States of America, which was her home address. These funds should have been mailed directly to the local office. In this case, if the local office was not available Vancouver has an offsite office that the mail would be secure at. Our recommendation is that all cheques that are not made out to one's person should be sent to the local office in question.

Component Secretary-Treasurer Response:

This process has been rectified.

Administration Costs on Union Dues from Air Canada

Union dues are payable to the Air Canada Component monthly after said fees are deducted from the members.

Our dues are received via electronic transfer. Air Canada deducts \$237.00 off of our monthly dues as an administration cost. Article 20.03.06, we believe, should be enacted and discussions should take place to reduce this fee. Discussions should also be had with all other operating unions to seek clarity on the fees paid by them. It is fair to note that Unifor does not pay the same amounts as CUPE.

Component Secretary-Treasurer Response:

Noted.

Dues Check Off

Dues should be checked off monthly, as per the bylaws, by the Component Secretary Treasurer. This practice does not happen as we do not receive any dues information from Air Canada. We strongly recommend that this information be provided so we can accurately determine our payments are correct and as per our bylaws.

Component Secretary-Treasurer Response:

Noted.

Bank Accounts

We have many bank accounts that have varying rates of interest and fees. We believe that any cash that is not being used and just sitting in an account should be moved over to a higher paying interest account.

Component Secretary-Treasurer Response:

Noted.

Rubber Stamps

Rubber stamps have been used in the past at the component level to stamp expense and operating cheques. This was discussed with the Component Secretary Treasurer during this audit period and confirmed that on several occasions a rubber stamp was used on cheques. We have reservations with this procedure as it eliminates a level of security.

Component Secretary-Treasurer Response:

Rubber stamps were only used when the original signatures were not possible and only with the Component Officer's approval.

Company Payment for Bargaining

The history on this is complicated; however the company has normally in the past paid a substantial amount towards bargaining costs.

During this term we were compensated \$161,000.00 in flight credits, yet we asked for \$650,000.00. We were told by the former Component President and former Component Secretary Treasurer that this was a good deal yet both confirmed they never checked with any other unionized group to see what was going on with them. We also noted that the minutes varied from what the Sec Treasurer reported with regards to total cost of negotiations as well as reimbursement costs. As a point of reference in 2009 the company paid the full cost of bargaining. We feel that at the onset to bargaining, the union needs to establish payment terms and cost aligning for bargaining. As well better communication needs to be attempted with the other unions.

Component Secretary-Treasurer Response:

We agree that CUPE should establish costs before negotiations and we should communicate with the other unions to see what they have agreed upon for cost.

This will be added to the ACCEX agenda for discussion in April.

Component Asset List

The Component Asset list is a list of all the furniture, equipment and electronics used at Belfield. This list is maintained to ensure all assets are accounted for and maintained in the building. This list is out of date, many new purchases have been made and many items are not located in rooms they are listed at. The trustees attempted to do a full asset audit as required yet quickly found this task impossible as the records were not up to date. We recommend that the asset list be updated and maintained on a monthly basis.

Component Secretary-Treasurer Response:

We are currently updating the list and will monitor it. We are also adding pictures to the list.

Component Expenses

Component officers are entitled to meal expenses as per the collective agreement, as outlined in the ACC Expense Policy, October 2008. We were notified that the component officers are paid expenses based on a separate agreement.

The component officer needs to be working at 8:00 for breakfast, 12:00 for lunch, 18:00 for dinner and 23:00 for snack. We recommend that the spirit and intent of the ACC Expense Policy be followed and expenses paid as per 7.02.01 of the Collective Agreement.

Component Secretary-Treasurer Response:

This current administration is not aware of a separate agreement. The only agreement that we follow is the Air Canada Component Bylaws.

SECTION 7 – Expenses.

Article 7.2 (a) Meal allowances shall in accordance with the Collective Agreement.

Montreal Local Officer acting as Strike Captain

We have expense forms that had no signing officer; they included \$500.00 towards phone bill as well as a wine tab of \$150.00. We feel there was a violation of ACC Expense Policies, page 3, under financial policies as the expense was over \$500.00.

Component Secretary-Treasurer Response:

Expenses that are eligible for reimbursement by the Air Canada Component of CUPE are governed by the Air Canada Component By-laws.

Again, the violation of the Air Canada Component Expense policy document that the trustees are referring is not an official document.

As per the Component Bylaws SECTION 7 – All expenses must be authorized in advance by one of the Component Officers. Furthermore, the expense form must be signed by the Union member and by a Component Officer. Then a cheque is prepared and signed by the Component President and the Component Secretary-Treasurer.

EAP

Employee Assistance Program is currently funded 100% by Air Canada. The money put towards this program is to solely pay for the needs of EAP towards the members in the ACC. We feel this account and all income and expenditures should be audited separately and removed from the financial statements that are reviewed by the Component Trustees. We recommend this as the members union dues are not contributing to this fund and as such do not fall under our audit process.

Component Secretary-Treasurer Response:

EAP has been removed from the Component books.

Central Site Representative

This member is a representative at the component level. She has submitted for day care and has not included receipts as well as transportation for \$306.24 and no receipts attached and \$60.00 for gifts to the company. The ACC Expense Policy, October 2008, although deal with these items, we feel receipts should be attached, and gifts for the company should not be an expense paid for from union dues.

Component Secretary-Treasurer Response:

This current administration agrees that all receipts should always be attached with expense form. Only the previous administration can confirm that the expenses were authorized under SECTION 7 – Expenses 7.1 and SECTION 9 –Component Committee 9.6.

Uniform Committee Chair

We have been paying for his internet and evening and weekend plan on his phone. We also feel that the time frame for submitting an expense was overlooked. As per the bylaws, a member has 180 days. The ACC Expense Policy was broken by having the 180 day rule overlooked; we also question why an evening and weekend plan needs to be paid for by the union for this committee. We also feel that the payment of cell phone and internet for this committee is not in line with the policies and we question the necessities.

Component Secretary-Treasurer Response:

After investigating we were informed that the previous Component President had authorized to pay the monthly mobile phone to the Uniform Committee Chairperson. When this current administration took office we stopped paying the monthly mobile phone to the Component Uniform Chairperson.

Component Secretary Treasurer

Between the Component President, Vice President and Secretary Treasurer, an arrangement was made prior to elections, with regards to the Component Secretary Treasurers wage. It was agreed that the Component Secretary Treasurer would be paid B777 SD rate even though he was a flight attendant. As per the MOS #4 signed on March 27, 2007, part 3 and 4, the Component Secretary Treasurer was paid his actual rate of pay. There was an agreement in place for 7 months, where the union covered a top up from FA to B777 SD until ACCEX brought it forth January 24-26, 2012 to vote on. We feel that this should have been voted on immediately upon being elected into office and should not have waited.

Component Secretary-Treasurer Response:

Noted. It was authorized by the previous Component President.

Member at large

In correspondence dated July 27, 2012 it was noted that a flight release for \$449.72 in August 2011 and another in June 2011 for \$897.82 was credited to a member at large to provide child care during negotiations. The following is an excerpt from the 2008 Expense Policy:

Child/Dependant Care

Union Officers and Committee Members, performing authorized work for the Component, that exceeds either the number of days scheduled to fly for Air Canada (eg. shadow bidder), or fifteen (15) days (eg. full time release), may claim a subsidy to offset child care costs. This subsidy of childcare expenses must be accompanied by a receipt from an outside childcare provider and will be reimbursed to a daily maximum of \$60.00 and to a monthly maximum of \$400.00, per Officer or Committee Member. Home care costs for dependents, as well as child care costs for children over the age of 13, will be considered for this subsidy on a case by case basis.

It does not appear that the member receiving the flight release was doing union work, however it is coded as a union flight release. It is our opinion that the bylaws were not being adhered too in the above two instances. We would like to request an explanation as to what occurred.

Component Secretary-Treasurer Response:

Below you will find the response from the former Secretary-Treasurer.

"I would like to thank (current interim Component Secretary Treasurer), the current Component Secretary Treasurer, for giving me the opportunity to reply to the Component Trustees report as I was Component Secretary Treasurer during the period being audited. In my view, the trustees failed to provide a clear explanation for the circumstances leading to the flight release(s) they refer to in their report. I would add, the following details were sent by me to the Trustees by email prior to their report but do not appear in their report. I was spokesman and member of the Bargaining Committee for TA 1. The union had arranged with the company to bargain from Monday to Thursday. On the occasion of the August, 2011 flight release in question, the company asked to bargain through the weekend non-stop with the hope of reaching a collective agreement. My spouse, an AC flight attendant, who bid to fly weekends to accommodate my bargaining through the week, needed to be released for childcare that weekend in order for me to attend bargaining. My superiors, the Component President and Component Vice-President, agreed that it was important that I be at the bargaining and authorized the flight releases for my spouse. A situation with almost identical circumstances occurred once before in June 2011 leading to another release for my spouse; this release was discussed with the Component Trustees (who were responsible for the June 30th, 2010 to July 1st, 2011 audit. As I recall, the June 2011 release was accepted as legitimate and proper by the trustees then in place and was not raised in their report. In conclusion, I believe the above flight releases were properly authorized as per the By Laws and were for necessary and legitimate reasons under highly unusual circumstances."

Grievance Committee

The grievance committee deals with and assists in all grievances. They work at the Component level and are a Component Committee. It was noted that on March 23, 2012, the former Component President issued a letter to both members that as of January 1, 2012 they will be paid that of a Narrow Body Service Director. It is also noted that this letter was copied to ACCEX. After reviewing the ACCEX meeting minutes for January 2012 and April 2012 we found the bylaws were not adhered to as there were no motions for these increases. The increases, per member were \$9,815.40 per year. Our recommendation is to ensure that when members of committees are to be paid above the normal agreed upon wages/pay structures that a motion be made and adopted. These motions need to be adopted prior to the increases being given.

Component Secretary-Treasurer Response:

We agree, under this current administration this situation was brought forward and ACCEX reviewed the decision and confirmed it with a duly constituted motion.

Office Staff Overtime

25 Belfield has a new collective agreement that encompasses staff overtime. It was noted that over time for this period was over \$30,000.00. It is also fair to note that this was a bargaining year.

Central Site

If there is a budget line for auto/daycare/expenses etc, there should be a budget line added for Gifts if gifts are to be given. This has happened through the Central Site budget and the gifts were placed under Supplies.

Component Secretary-Treasurer Response:

Done.

Uniform Committee

This committee went over budget on the cell phone bills alone. It is fair to note that cell phone and internet are one subline on the budget. We would recommend that these two lines be broken down. We feel that as a committee that works off of volunteerism, going over budget by 220% or \$1200.00, does not reflect well.

Component Secretary-Treasurer Response:

Done.

Grievance Committee

This committee works on level II grievances as well as assists the locals with grievance prep work. This committee went \$18,222.00 over budget for the year. This committee can fluctuate depending on the amount of grievances and what issues the company decides to challenge in the collective agreement.

Women's Committee, Reserve Committee, Pink Triangle, Campaigns, Crew Rest, Wellness and Legal Opinion

These committees did not use the committee budgets assigned. The assigned total was \$133,404.00, please note \$100,000.00 was for budget line "Legal Opinion".

Component Secretary-Treasurer Response:

Noted.

WSIB

This committee is for the benefits of members that have denials while on disability due to work related injuries. The committee is called "Workers Compensation Board". This committee went over \$7,117.00 in its budget. This appears to be a normal operating expense.

Component Officers

It is noted that they are over \$7,786.00 in their budget. As it was a bargaining year, expenses were higher due to longer hotel stays. This appears to be a normal operating expense.

DIV IX

This is listed as a committee. It is not showing a budget line but is showing an operating expense of \$2,033.00. We would request further clarification as to what this was/is for.

Component Secretary-Treasurer Response:

This was monies that were received from the Company for re-training of Flight Attendants so no budget line was indicated - only one member applied. The unused balance was repaid to the Company.

Health and Safety

This committee went over budget by \$118,555.00. The original proposed budget was \$335,000.00. Health and safety has had many attacks placed on this committee. As it oversees many areas of health and safety we would like a brief rundown as to what placed this committee so grossly over budget.

Component Secretary-Treasurer Response:

This committee is over-budget due to legal bills that were paid. The committee has many outstanding cases that need to be reviewed. We are currently in the process of getting a cost-share with CUPE National for the legal bills.

IAM

This committee is listed with no pre-determined budget and spent \$1,288.00. We would like further information on this committee and its spending.

Component Secretary-Treasurer Response:

The cost was associated with the contract for the IAM staff. The bill was paid to Crawford Chandon.

Regional Strike Averting

This committee's budget was \$0.00 and \$39,945.00 was spent through this committee. It is noted that much of this was recouped through national. We would like to know a breakdown as to how much ended up being paid by component and not national.

Component Secretary-Treasurer Response:

The Component had a cost-sharing campaign with CUPE National for only \$22,100.00 so the Component had to pay the balance.

PBS

PBS went over budget \$17,224.00. We would request a breakdown as to what brought this committee over budget to this extent.

Component Secretary-Treasurer Response:

This committee was over-budget because of the amount of members involved.

Pension

This committee went over by \$72,154.00. We would request a further breakdown of what brought this committee over budget.

Component Secretary-Treasurer Response:

The committee is over-budget because of legal bills.

Air Canada Shares/ BMO

We were looking for the status on these shares. They were issued to all unions in 2010, we received 3,420,000 shares worth an approximate current market value of \$25,000,000.00. During this term, the name was not changed from the previous component president to the former one. Our recommendation is to ensure the proper formalities are adhered to when it comes to any financial accounts or investments. The name currently showing is that of the current Component, Air Canada Unions 2009, our concern is that it should be under the unions name, Air Canada Component of CUPE. We have many questions on this subject. We paid a trust account/administrative fee, why? After reviewing the second amended and restated Air Canada Unions 2009 Share Trust, Trust Agreement, we are unable to fully comprehend the merits to this account and its arrangements. As trustees we would like further explanation and clarification on these shares. We feel it should be listed and transparent to the members and ACCEX and the union leadership. Although these shares are not payable to the union, it should be listed to show we have them in trust.

Component Secretary-Treasurer Response:

The Component will look into this.

Tabulating

This committee went over budget by \$13,000.00. We attributed this to negotiations/ ratification votes.

Bank Charges

This line was budgeted at \$200.00 and came in at \$3,155.00. Bank charges are normally reflective on use of the account. All accounts appeared stable and no addition transactions over previous year were noted. This looks like a budget line that did not take into account previous years use. We would recommend taking the previous year's bank fees and making them the budget for the following year. The previous year was \$2,335.00, so going on a budget of \$200 is not acceptable practice.

Component Secretary-Treasurer Response:

The Component will look into this.

Computer Maintenance

Budget was listed as \$2,500.00 and went over by \$14,279.00. We asked for clarification and it was given. We were told that when the budget was adopted there was a mistake and the budget line should have been \$25,000.00. The budget was voted on and adopted at the \$2,500.00 point, so anything above, worth \$500.00, as per the bylaws, should have been motioned.

Component Secretary-Treasurer Response:

Noted.

Courier

The budget went over by \$2,072.00. That is over double the set budget was listed at. We would like further clarity as to what the expenses were for.

Component Secretary-Treasurer Response:

More Purolator usage than originally planned.

Depreciation and Amortization

The budget was set at \$60,000.00 and we used \$41,148.00. We would like further clarification as to why this was budgeted so high.

We are unable to confirm new and old equipment as the asset list is not up to date for us to verify.

Component Secretary-Treasurer Response:

Depreciation and amortization is always a guess.

Internet

Went over budget by \$3,192.00. Budget was set at \$9,000.00. We would like a better understanding as to what goes through this account and how the budget was grossly under estimated. It was noted that the internet usage goes over often and can be many hundreds of dollars. We recommend looking into a higher usage package.

Component Secretary-Treasurer Response:

This item was over-budget because of the over-usage of the internet due to bulletins. The Component is currently dealing with Bell to change the provider and bulletins are now being sent out via MailChimp. This should rectify the over-usage.

Staff Appreciation

Budget was \$2,000.00 and no money was spent. This was a new budget line added for this term. Is this required if we are not using it?

Component Secretary-Treasurer Response:

*This line item was accidentally mixed up with office supplies. The actual amount of staff appreciation We feel that our current recommendation would enforce the current constitutional requirements as noted above.
was \$964.01.*

Website

It is noted that the budget was dropped from the year previous but was still not utilized. It currently

costs \$43.06 every quarter. Was the budget to accommodate further development?

Component Secretary-Treasurer Response:

This line is now used for Web-Hosting.

Further Recommendations

Recording Secretary- According to our component bylaws the secretary treasurer, as per Article P, "...keep an accurate, full and impartial record of each meeting of the ACCEX and any other meetings as may be deemed necessary and forward such records to members of the ACCEX within thirty days after the meeting". Due to much controversy there was a motion to allow an appointed member on staff at Belfield to take the minutes of the meeting. This motion was approved and carried. The issue stands that we feel "full" means that all discussions be added to the minutes. We would recommend that minutes be taken fully and transcribed, as well as voice recorded. The availability of minutes, notes and recordings should be made available to members at large in the interests of full and complete transparency.

"The recording secretary keeps correct, full and impartial minutes of all membership meetings and all meetings of the executive board ...the minutes will include a copy of the full financial report presented by the secretary treasurer as required by article B.3.6"

Component Secretary-Treasurer Response:

I disagree with the Trustees recommendation. At ACCEX meetings, we often discuss controversial and unpopular topics and ACCEX members often have to make difficult decisions. In my opinion, to post the minutes on the Component website, to voice record ACCEX meetings and conversations would reduce the probability that ACCEX members would make decisions which may be politically unpopular but would definitely benefit the union and the members. Voice recording would restrict the chance of full and frank discussions on very sensitive issues possibly leading to inferior decisions. Moreover, the current practice is highly transparent as it allows members to visit the Component office to view the minutes of ACCEX and other meetings which is a compromise to what the Trustees seek.

Furthermore, this would also not be conducive to our union as the company would be able to have access to these recordings and/or minutes and this would definitely have a negative impact on our bargaining power as a union.

Trustee Audit Bylaw

We would request that a bylaw amendment be made to bylaw 6.4A. It currently reads as follows: "Act as an auditing committee on behalf of the members and audit the books and accounts of the secretary treasurer and the component committees at least once every calendar year;"

We would request the following change be made so that the bylaw reads as follows:

"Act as an auditing committee on behalf of the members and audit the books and accounts of the secretary treasurer and the component committees once every six months"

Component Secretary-Treasurer Response:

I agree. This has to be done through a bylaw change and voted on by the membership. I would suggest making this request when the next bylaw review takes place.

Initiation Fee

As per the component bylaws, section 8.1 it is noted that since dues are remitted directly to the Component and then the per capita is sent to National, we found that the \$1.00 initiation fee is not being collected by any locals directly from the member. It is our recommendation that the \$1.00 initiation fee is collected and the Component Bylaws are enforced.

Component Secretary-Treasurer Response:

This has nothing to do with the Component audit. It is sent by the Local on behalf of the member according to the bylaws under section 8.1.

We would like to thank the staff at Belfield, CUPE National as well as the past and current executive that assisted us in completing this audit.

In Service to the membership,

Ole, Wesley and Marc