



**Professional
Employees
Association**

CONVENTION 2013

2013 Minutes

For Presentation to the 2015 Constitutional Convention

**Minutes
of the
10th CONSTITUTIONAL CONVENTION
of the
PROFESSIONAL EMPLOYEES ASSOCIATION
held at the
Hotel Grand Pacific
Victoria, B.C.**

April 13, 2013

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MINUTES
of the
10th CONSTITUTIONAL CONVENTION
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held at the
Hotel Grand Pacific
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CALL TO ORDER

President Frank Kohlberger called the 10th Constitutional Convention of the Professional Employees Association to order at 9:00 a.m. on Saturday, April 13, 2013.

The President welcomed the delegates to the PEA's tenth constitutional convention.

CREDENTIALS REPORT

The President called on Susan Dempsey, Chairperson of the Credentials Committee, to give a report.

The Chairperson reported that there were 64 credentialed voting delegates for this convention. Of those delegates, 61 voting delegates and one observer were present. There were also nine staff members and one guest in attendance. The following alternate and new delegates were registered:

Sam Davis, Robert Norwell, Bruce O'Neill, Jason Pope, Lena Toncev and Judy Thomas for, John Babineau, Julie Castonguay, Beth Eagles Mike Madill, Heather Narynski and Darren Witt of the Government Licensed Professionals Chapter; and new delegate Gregor Campbell of the St. Margaret's School Chapter.

M/S/C that these delegates be seated.

M/S/C that the Credentials Committee stand down, with thanks.

DELEGATES

The following delegates were registered.

Association Executive

President	Frank Kohlberger
First Vice-President	Sonny Wilson
Second Vice-President	Susan Dempsey
Secretary-Treasurer	John Foxgord

Education Chapters

Natasha Carville

Government Licensed Professionals

Bruce Barnewall
Gail Campbell

Health Science Professionals

Joanne Montgomery

UVic Administrative and Academic Professional Staff

Melissa Doyle
John Hall

Chapter Representatives

Family Maintenance Enforcement Lawyers

Veronica Beier

Government Licensed Professionals

Brian Chow
Cheryl Conant
Ryan Cunningham
Sam Davis
Tom Droppo
Ted Fuller
Rene Garcia-Daguer
Trudy Goold
Steve Heppner
Elizabeth Hunt
Harry Jennings
Pierre Johnstone
Shawna Larade
Craig Mount
Curt Nixon
Robert Norwell
Bruce O'Neill
Jason Pope
Gerald Reichenback
Enrique Sanchez
Martin Sills
Lena Toncev
Judy Thomas
Ian Wiles
Carl Withler
Jason Yates

Health Science Professionals

Amanda Bartlett
Ronda Field
Denise Rheaume

Legal Services Society

Carlos Garcia
Rosanna Slipperjack-Farrell

Okanagan Regional Librarians

Barbara Jo May

Prince George School District

Kristy Hennings

Daphne Laboucan
Nicole Haines

St. Margaret's School

Ross Alden
Gregor Campbell

UVic Administrative and Academic Professional Staff

Margaret Blake
Vincent Connor
Kristen Ficke
Lance Grant
Matt Greeno
Cliff Haman
Sheryl Karras
Jonathan Kassian
Bert Klatt
Paul Hilchey
My Lipton
John MacDonald
Melana Mar
Jill Tate

Observer

Deborah Coxson

STAFF

Executive Director
Labour Relations Officer
Labour Relations Officer
Labour Relations Officer
Financial Officer
Communications Officer
Executive Assistant
Administrative Assistant
Administrative Assistant

Scott McCannell
Rhiannon Bray
Al Gallupe
Melissa Moroz
Teresa Husband
Brett Harper
Toshie Arakawa
Marianna Azouri
Tammy Bouchard

GUEST

Parliamentarian

Barrie Lynch

CONVENTION COMMITTEES

Resolutions Committee

Sonny Wilson, Chairperson
John Hall
Cliff Haman
Jason Yates
Scott McCannell, Secretary

Ways and Means Committee

John Foxgord, Chairperson
Natasha Carville
Ronda Field
Barbara Jo May
Scott McCannell, Secretary

Credentials Committee

Susan Dempsey, Chairperson
Bruce Barnewall
Veronica Beier
Nicole Haines
Toshie Arakawa, Secretary

Sergeant-At-Arms Committee

Melissa Doyle
Ross Alden
Trudy Goold
My Lipton
Al Gallupe, Secretary

Table Officer Elections Committee

John Hall, Chairperson
Amanda Bartlett
Derek Challenger
Joanne Montgomery
Scott McCannell, Secretary

CONVENTION RULES OF ORDER

The President introduced Barrie Lynch, registered parliamentarian who is assisting with the convention proceedings.

The President read the Rules of Order:

1. A member of the Association may bring any matter before a convention for consideration by means of a resolution. The resolution must be signed by the member and at least one other member before it can be considered.
2. A resolution, except a resolution to amend the constitution, can be considered from the convention floor only if at least two-thirds of the delegates present, and voting, vote to accept the resolution for consideration.
3. Convention reports cannot be amended from the convention floor but a motion to refer the report back to the committee for reconsideration is in order. A motion to refer is not debatable. When a referral motion is properly seconded, it must be put to a vote immediately. A delegate cannot move referral after speaking on the issue.
4. If the recommendation of a committee is defeated, the matter is automatically referred back to the committee.
5. Once presented, a motion is the property of the convention. It may be withdrawn only by a majority vote of the delegates present and voting.
6. A motion to reconsider can only be made by a voter in the majority. Such a motion requires a majority to pass.
7. A delegate wishing to speak on a motion on the floor must be at a microphone and be recognized by the chair of the convention.
8. If a point of order is raised while a delegate is speaking, the delegate shall, at the request of the chair, stand down until the question of order has been decided.
9. If two or more delegates rise to speak at the same time the chair of the convention will determine the order of speakers.
10. Except when a delegate is speaking, a delegate can request that a motion be re-read for information.
11. No delegate can interrupt a delegate who has the floor except to raise a point of order.
12. A delegate may not speak more than once on an issue until all others who wish to speak have had an opportunity to do so.
13. A delegate who refuses to stand down when requested by the chair to do so shall be subject to suspension for the remainder of the session.
14. Speeches are limited to three minutes.
15. Except as set out above the convention will be governed by Roberts Rules of Order.

M/S/C to approve the change to the last sentence in rule #3 to read, “A delegate cannot move referral directly after speaking on the issue.”

M/S/C to accept the Rules of Order.

SERGEANT-AT-ARMS COMMITTEE INTRODUCTION

The President introduced and thanked the members of the Sergeant-at-Arms Committee: Melissa Doyle, Ross Alden, Trudy Goold, My Lipton and Al Gallupe, Secretary.

APPROVAL OF THE MINUTES OF THE 9TH BIENNIAL CONVENTION

M/S/C to that the minutes of the 9th Constitutional Convention be adopted.

DISPOSITION OF RESOLUTIONS REPORT

The President reported referred delegates to the disposition of resolutions from the 2011 convention which was included with the convention materials.

INVESTMENT REPORT

The President introduced Paul Siluch, PEA Investment Advisor, who reported on the investment portfolio’s performance in 2012.

ALLOCATION OF RESOLUTIONS

The President introduced Sonny Wilson, Chairperson of the Resolutions Committee, who referred the Secretary-Treasurer’s Report and the 2011 and 2012 Audited Financial Statements to the Ways & Means Committee. A resolution addressing PEA investment policy was also referred.

REPORT OF THE WAYS & MEANS COMMITTEE

The President called on John Foxgord, Chairperson of the Ways & Means Committee, to give his report.

The Chair introduced the members of the committee and PEA auditor Chris Cowland of the accounting firm Cowland Paterson & Co.

Chris Cowland reported that the PEA was issued a qualified audited opinion. He drew attention to Note 1 to the 2012 financial statements which describe that the PEA adopted Canadian accounting standards for not-for-profit organizations. These financial statements are the first prepared in accordance with these standards. The changes have been applied retrospectively.

SECRETARY-TREASURER'S REPORT

(full report printed at the end of minutes)

In his report to delegates, Secretary-Treasurer John Foxgord reviewed the 2011 and 2012 audited financial statements, highlighting the decrease in dues revenue, changes in operating expenses, and gains and losses in investment assets.

Over the past two years, the association has been eroded by approximately 60 members. The loss of members was due to the BCGEU raiding of CHSS members, the closure of Riverview Hospital, and the reduction of GLP members. There has been growth in the UVic membership. In 2011 many of the expense categories showed little change from 2010; however, Convention/conference, Executive and Constitution, Negotiations and Staff Salaries and Expense showed decreases, and Membership and Services and Administration showed an increase. Variances in the budget were seen in Membership Services, Executive and Constitution, and *The Professional*. In 2012, increases in operating expenses were seen in Negotiations due to heavy bargaining and Staff Salaries and Benefits due to heavy bargaining. These increases were offset by decreases in Executive and Constitution, Membership Services and Administration, Occupancy and Convention/conference. The 2012 education conference was postponed. Variances in the 2012 budget were seen in Negotiations and Membership Services. Strike activities, although not regular operating expenses, were \$277,324. In 2011, there was an excess of revenues over expenses of \$111,643; in 2012 there was deficiency of revenues over expenses of \$52,104 as a result of strike pay and expenses.

John Foxgord concluded his report by thanking past Secretary-Treasurers Jonathan Foweraker and Tom Gore, and PEA's financial officer, investment advisor, auditor and members of the Finance & Investment and Ways & Means Committees.

M/S/C to accept the Secretary-Treasurer's Report.

APPROVAL OF AUDITED FINANCIAL STATEMENTS

M/S/C to accept the 2011 & 2012 Audited Financial Statements.

APPOINTMENT OF AUDITORS

M/S/C that the firm Cowland Paterson & Co. be reappointed as Association auditors for the 2013 & 2014 fiscal years.

REPORT OF THE RESOLUTIONS COMMITTEE

The President called on Sonny Wilson, Chairperson of the Resolutions Committee who introduced committee members John Hall, Cliff Haman, Jason Yates and Scott McCannell, Secretary.

The Chairperson of the Resolutions Committee called on the President to present his report.

PRESIDENT'S REPORT

(full report printed at the end of minutes)

President Frank Kohlberger reported on the Association's focus on key priorities throughout 2011 and 2012: engaging the membership and improving communications, and bargaining. The PEA made strong efforts to increase member interaction through changes to the website, development of the online forums and enhancement of the educational content of *The Professional*. Local representatives played a key role in delivering PEA communications to front-line members, especially during bargaining. Significant events included the raid of the CHSS chapter by the BCGEU in 2011. A positive event was the certification of more members to the SMS chapter; residence staff at St. Margaret's School voted in favour of joining their SMS colleagues who are represented by the PEA.

Bargaining demanded a significant amount of time and resources due to an unusually challenging public sector bargaining mandate. The PEA worked towards developing bargaining strategies across all chapters with the goal of providing a more consistent approach on how we bargain for our members. Meetings with other unions and labour groups provided the PEA with a more informed and strategic view of the state of public sector and sectorial bargaining. The PEA developed numerous public awareness campaigns which helped to raise awareness of our union and resulted in media coverage.

During this round of bargaining, members took action in order to achieve gains in their contracts and and nurture relationships with other unions and labour groups. The GLP chapter took full-scale strike action, the first in 38 years. This action included strike and member-driven public rallies. The HSP chapter members also took action in 2012 to push for a fair and reasonable collective agreement. PEA members from UVic supported CUPE picket lines through the fall, and further support included PGSD members attending rallies. Through action members were able to achieve modest gains to collective agreements, and wage increases that are expected to cover inflation.

Looking forward, the union will be focusing on renewal by developing strategic alliances, building on PEA activists' labour relations experience, and cultivating grassroots activism. F. Kohlberger concluded his report by acknowledging the support of the members and the Association Executive.

M/S/C to accept the President's Report.

The Chairperson of the Resolutions Committee called on the Executive Director to present his report.

EXECUTIVE DIRECTOR'S REPORT

(full report printed at the end of minutes)

Executive Director Scott McCannell opened his report by highlighting the PEA's focus on union renewal and strengthening capacity. The union is set on the path to develop activists' labour relations expertise, enhance grassroots activism and build alliances to be better equipped to respond to attacks on the public service, trade union laws and anti-union bias. There are ongoing challenges to the PEA and unions in general with the reduction in funding to public services, and implementation of anti-labour legislation.

S. McCannell acknowledged the dedication of the GLP bargaining team, GLP members and staff during the 15 months of bargaining for the chapter. In 2012, the PEA settled five agreements – for the GLP, UVic, OGC, HSP and LSL. The PEA will continue to make bargaining a priority, and examine ways to better address members’ interests away from the bargaining table.

The PEA embarked on number of improvements in the ways that the Union engages with its members. The PEA saw members participate in web-based meetings, forum discussions and the strategic planning survey. S. McCannell closed his remarks by acknowledging activists, bargaining committees, executives and staff for their dedication and contributions the PEA’s strategic goals and initiatives.

M/S/C to accept the Executive Director’s report.

ELECTRONIC VOTING REPORT

Communications Officer Brett Harper presented an overview on electronic voting. The Policy Review Committee has developed a policy on electronic voting. This policy was approved by the PEA Association Executive pending approval of amendments to the PEA constitutions and by-laws.

RESOLUTIONS

The President called on the resolutions committee to present its report.

The Chairperson of the Resolutions Committee reported that Resolution #7 was referred to the Ways & Means Committee.

The Chairperson read the following resolutions to the delegates and made recommendations on behalf of the committee. The delegates either adopted, referred or defeated the resolutions as follows:

RESOLUTION #1

WHEREAS the chapter members indicate to their chapter executives by means of a democratic manual voting process their position on particular matters of concern to the PEA; and

WHEREAS the procedural steps required to exercise this democratic right to vote consists of the physical marking of a ballot; sealing the ballot within an envelope required to be marked with the respective member's PEA number and signature; sealed in yet another envelope and then hand mailed by a deadline to the PEA chapter office. Given the preponderance of secure web based interfaces, this process is cumbersome, time consuming and outdated;

THEREFORE BE IT RESOLVED that the PEA executive investigate the feasibility of implementing electronic voting and report their findings back to the membership.

The Committee recommended that the resolution be combined with resolution #6.

RESOLUTION #2

WHEREAS the government has decreased funding to post-secondary education; and

WHEREAS privatization on campuses has increased and PEA members are losing their jobs; and

WHEREAS there has been an erosion of services provided to students and the University community; and

WHEREAS there is anticipated shortage of skilled and knowledge based workers;

THEREFORE BE IT RESOLVED that the PEA will develop a strategy, commit resources, and work with students, other unions and the community to fight for accessible and high quality publically funded post-secondary education.

M/S/C to the amendment “THEREFORE BE IT RESOLVED that the PEA will develop a strategy, commit resources, and work with students, other unions and the community to fight for accessible and high quality publically funded post-secondary education and high quality publically funded post-secondary education that are pre-requisites for our professions.”

M/S/C Non-Concurrence with the amended resolution.

M/S/C Concurrence with the original resolution.

RESOLUTION #3

WHEREAS membership dues are utilized to fund operational expenditures; and

WHEREAS the Association Executive’s role is to review and approve the Association’s operational budget;

THEREFORE BE IT RESOLVED that the Association Executive have the capacity to initiate a referendum on changes to membership dues by amending the PEA constitution as follows:

Article 1.5:

Changes to Membership Dues shall be recommended by convention of the Association. The method of payment shall be established by the Association Executive. When a resolution or question which involves a change in the dues of the Association comes before a convention of the Association and is carried at that meeting, such questions or resolution shall, prior to implementation, be made the subject of a referendum subject to the provisions of Article VI. When ten per cent of the membership signs a petition The Association Executive shall make the dues the subject of a Referendum, subject to the provisions of Article VI. The Association Executive may also initiate a referendum to change membership dues, subject to the provisions of Article VI. Special levies on all or part of the membership may be assessed by the Association Executive for the purpose of assisting a bargaining unit of the Association faced with a strike.

M/S/C Concurrence

RESOLUTION #4

WHEREAS convention resolutions have the potential to set strategic directions and key policy for the PEA; and

WHEREAS convention resolutions should be thoroughly considered before they are voted on;

THEREFORE BE IT RESOLVED that the PEA's constitution be amended such that convention resolutions from the floor be limited to extraordinary circumstances that prevented the resolution from being submitted in advance as follows:

Article V.13:

An extraordinary resolution or question except a resolution to amend the Constitution and By-laws may be presented from the floor of the convention but only if it arises from circumstances that prevented the resolution from being submitted in the normal manner and two-thirds majority of the members present and voting vote to admit it.

M/S/C Non-Concurrence

RESOLUTION #5

WHEREAS the Association Executive has the capacity to meet electronically to discuss matters of the Association; and

THEREFORE BE IT RESOLVED that the PEA's constitution be amended as follows to reflect advances in electronic meeting capacity:

Article V.12:

Notice of meeting of the Association Executive shall be sent to each member of the Association Executive and to chapter chairpersons not less than forty-eight hours prior to the time of the meeting. In cases of emergency, any two members of the Association Executive may call a meeting. ~~In extreme cases~~ Meetings may take place by electronic means.

M/S/C Concurrence

RESOLUTION #6

WHEREAS the PEA is required to conclude all secret ballot referenda by paper under the constitution; and

WHEREAS the procedural steps required to exercise this democratic right to vote consists of the physical marking of a ballot; sealing the ballot within an envelope required to be marked with the respective member's PEA number and signature; sealed in yet another envelope and then hand mailed by a deadline to the PEA chapter office. Given the preponderance of secure web based

interfaces, this process is cumbersome, time consuming and outdated;

WHEREAS secure secret ballot alternative methods for voting exist; and

WHEREAS difficulties recruiting scrutineers currently exist; and

WHEREAS the workload required of a scrutineer under electronic voting is dramatically reduced;

THEREFORE BE IT RESOLVED that the PEA's constitution be amended as follows to provide for the capacity for alternative voting methods and a reduced number of scrutineers:

Article VI.3:

Where a referendum is to be taken, the questions, motion or resolution shall be ~~printed on a ballot paper~~ and forwarded to each member of the Association who is entitled to vote. Ballots shall be forwarded to all members on the same day. The voting shall be secret. Notice as to the time within which, and the method by which the ballots must be returned shall appear ~~with on the ballot paper~~. A simple majority of the votes counted shall prevail except for Article X (6) relating to debentures and Article XIV relating to amending the constitution.

Article VI.4:

Prior to the sending out of ballots, the Association Executive shall appoint ~~three~~ two Scrutineers and as the ballots ~~marked "Ballot"~~ are received, they shall be ~~turned over~~ made available by the Secretary-Treasurer to the Scrutineers, ~~unopened,~~ reviewed, and after the expiration of the time for receiving ballots, the Scrutineers shall proceed to ~~open the envelopes~~ and count the ballots. As soon as possible after their report has been made, the Secretary-Treasurer shall forthwith inform each member of the Association of the results.

An amendment was proposed to resolution to Article VI.4 to read, "...appoint three Scrutineers."

M/ to amend the Article VI.4 to "Prior to the sending out of ballots, the Association Executive shall appoint three Scrutineers..."

M/S/C Non-Concurrence to the amendment to the amendment to the Article VI.4 to "Prior to the sending out of ballots, the Association Executive shall appoint up to three Scrutineers..."

M/S/C Concurrence to the amendment to Article VI.4 to "Prior to the sending out of ballots, the Association Executive shall appoint a minimum of two Scrutineers..."

RESOLUTION #7

The President called on John Foxgord, Chairperson of the Ways & Means Committee, to present the resolution.

WHEREAS the Association's Investment income is a significant source of revenue for the Association; and

WHEREAS the PEA's current operating budget does not allow for significant additional expenditures; and

WHEREAS the Association needs to defend the interests of the members and build strategic alliances with like-minded organizations and groups for the benefit of PEA members;

THEREFORE BE IT RESOLVED that the PEA Association Executive utilize PEA investment income to fund affiliation costs to bodies and labour organizations that are supportive of PEA's goals and objectives.

M/S/C Non-Concurrence to amendment, "THEREFORE IT BE RESOLVED that the PEA Association Executive utilize PEA investment income to fund affiliation costs the BC Federation of Labour and Canadian Labour Congress that are supportive of the PEA's goals and objectives, if the referendum passes."

M/S/C Concurrence to the amendment, "THEREFORE BE IT RESOLVED that the PEA Association Executive utilize PEA investment income to fund affiliation costs to bodies and labour organizations that are supportive of PEA's goals and objectives, if the membership approves such affiliation by means of a referendum."

M/S/C Concurrence

M/S/C that the Ways and Means Committee stand down, with thanks.

RESOLUTION #8

WHEREAS the PEA is under attack with de-professionalization of the GLP chapter and lay-offs in the UVic chapters; and

WHEREAS public services are being reduced and trade unions face an increasingly hostile environment where harmful legislation, deregulation and cost cutting continues unabated; and

WHEREAS strategic alliances with other organizations, increasing PEA members' labour relations skills and enhanced members' grass roots activism will be necessary for furthering the interests of our members;

THEREFORE BE IT RESOLVED that the PEA carry out a renewal initiative designed to protect the current membership and advance the issues of our members.

M/S/C Concurrence

TABLE OFFICERS ELECTON COMMITTEE REPORT

The President turned the gavel over to Scott McCannell, Executive Director, who outlined the procedures for the election. S. McCannell called on the Chairperson of the Table Officer Nominating Committee to give his report.

John Hall, Chair of the Table Officer Nominating Committee reported on the nominees for the table

officer positions.

President

Nominations were declared open for the position of President, for a two-year term. Frank Kohlberger was nominated and no further nominations were made. After agreeing that he would stand for the position of President, Frank Kohlberger was declared elected by acclamation.

First Vice-President

Nominations were declared open for the position of First Vice-President. Three nominations were received. All nominees declined to accept the nominations.

Second Vice-President

Nominations were declared open for the position of Second Vice-President, for a two-year term. Susan Dempsey was nominated and agreed to stand for the election. After agreeing that he would stand for the position of Second Vice-President, Susan Dempsey was declared elected by acclamation.

Secretary-Treasurer

Nominations were declared open for the position of Secretary-Treasurer, for a two-year term. John Foxgord was nominated and no further nominations were made. After agreeing that she would stand for the position of Secretary-Treasurer, John Foxgord was declared elected by acclamation.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Resolutions from the Floor

The President reviewed the convention rules for resolutions from the floor.

The delegates voted to allow the following resolution from the floor for debate.

RESOLUTION #1 FROM THE FLOOR

WHEREAS member engagement is a priority for the PEA;

BE IT RESOLVED as member engagement is critical to the success in all aspects of the Professional Employee Association's endeavours; that all chapters have continuing challenges in engagement of their members; that it must be an ongoing conscious, and concerted priority of the PEA Executive to develop and implement a strategic approach that focuses on member engagement; that the executive include in the convention proceedings a specific topic which reports, what has been done and is planned to be done, on member engagement activities and initiatives.

The resolutions committee amended the resolution as follows:

WHEREAS member engagement is a priority for the PEA, and is critical to the success of PEA endeavours;

WHEREAS all chapters have continuing challenges in engagement of their members; and

WHEREAS member engagement must be an ongoing, conscious and concerted priority of both the Association and the Chapter Executives;

BE IT RESOLVED that the Association Executive and staff work with chapter executives to develop and implement a strategic approach for member engagement, and report back each convention with actions taken and further directions.

M/S/C Concurrence

M/S/C that the Resolutions Committee stand down with thanks.

Election of Vice-Chairperson

With the consent of the assembly Barrie Lynch declared open the nominations for the position of First Vice-President, for a two-year term. Daphne Laboucan was nominated and agreed to stand for the election. After agreeing that she would stand for the position of First Vice-President, Daphne Laboucan was declared elected by acclamation.

ADJOURNMENT

The 10th Constitutional Convention of the Professional Employees Association adjourned at 3:28 p.m., Saturday, April 13, 2013.

President's Report

I would like to welcome all delegates to the PEA's tenth Constitutional Convention and take this opportunity to reflect back upon the successes and challenges of the past two years. Over this period of time I have had the opportunity of working with an Association Executive made up of individuals who are committed activists that believe professionals have a significant and important role in providing effective public and private services to the people of BC. This dedicated group of people has played an important role in setting the direction for our union.

Throughout 2011 and 2012 the PEA Executive focused on renewing the PEA's strategic plan. This was accomplished by incorporating member input and staff guidance, and by maintaining a clear focus towards a stronger PEA. In developing an overall strategic direction for the organization, several important priorities emerged: enhanced member engagement, improved communications, emphasis on collective bargaining, and renewal of the PEA.

Engage our Membership and Improve Communications

Our capacity to communicate with members was a significant priority over the past two years. We updated our website with an emphasis on member interaction and engagement, through the development of online forums and other features, including a chapter events calendar and enhanced website search functionality. These efforts helped us secure national recognition in 2012, with another Canadian Union of Labour Media Award for Best Cyber Union. In addition to our online presence we re-developed our quarterly publication, *The Professional*, to focus on educating our membership with a series of articles emphasizing collective bargaining. We were able to improve the look, feel and educational value of the publication, while at the same time decreasing production costs.

Our efforts to engage the membership also included improvements to the PEA's database. Additional capacity was added and a significant membership records upgrade was undertaken. We reached out to every PEA member to confirm the information that we had on file for them and to request both work and home emails. This effort has allowed us to more quickly inform our members of important developments and events.

We also relied heavily on Local Reps to deliver our message to front-line members, especially during bargaining. We launched new tools to support our local reps, including a new section on the website and a quarterly email containing educational articles. We also embraced new technology, including web-based meetings, so that we could reach out to our local reps and members quickly and conveniently while at the same time reducing costs associated with face-to-face member meetings.

In these last two years the PEA continued our tradition of supporting members and their families in pursuing education. We awarded \$20,000 in scholarships and \$3500 in bursaries to members and their dependents in 2011 and 2012. In addition, we continued to emphasize member choice in our Grants and Donations program. A total of \$39,500 was donated over the last two years, half of it allocated based on members' input through the Giving Back program.

A report on the PEA's membership cannot occur without recognizing the raid on the Community Health chapter in 2011. This was not an ideal situation and the PEA attempted, both prior to and during the raid, to address issues of frustration within the chapter. Ultimately their decision was made and the raid on this chapter by the BC Government and Service Employees' Union (BCGEU) proved successful at the end of 2011.

The PEA has a two-fold approach to membership growth: maintaining and growing our existing membership levels, and organizing new members. We have for example been aggressive in addressing union exclusions, de-professionalization and layoffs in a variety of our chapters. Our intent is to maintain our membership levels by fighting for each and every member in the PEA. On the organizing front, we continue our approach of investing in advertising campaigns to generate organizing leads, and responding to any organizing inquiries that the PEA receives. I am happy to report that earlier this year the residence staff at St. Margaret's School voted in favour of joining their fellow SMS colleagues who were already represented by the PEA. I welcome these new members to the Association.

Bargaining throughout 2011 and 2012 demanded a significant amount of time and resources due to an unusually challenging public sector bargaining mandate. The PEA worked towards developing comprehensive bargaining strategies across all chapters with the ultimate goal of providing a more consistent approach to how we bargain for our members. Components of these plans included early election of bargaining committees, awareness campaigns and a significant amount of outreach with other unions and labour organizations. Meeting regularly with a wide variety of unions and labour groups provided us with a more informed and strategic view of the state of public sector and sectorial bargaining.

Education was also an important component of the PEA's bargaining strategy. We pursued a wide variety of opportunities to engage and inform our membership, including a revised Local Rep training curriculum, the creation of a Collective Bargaining Guide, and a variety of articles in *The Professional*. We added a comprehensive bargaining section to the PEA website, with economic indicators, bargaining references and comparable collective agreements. We believe that providing our members with educational resources allows them the opportunity to better understand the bargaining process and contribute towards a better end result.

Our educational outreach also included the general public. It became apparent across many of our bargaining tables that we needed to inform key public stakeholders about the invaluable work performed by PEA professionals. We launched public campaigns to spread information about the work our members do, and to also ask for public support in bargaining fair and reasonable collective agreements. Awareness campaigns were launched in the Government Licensed Professionals (GLP) and University of Victoria (UVic) chapters, and included a variety of different tools such as radio, transit, online and newspaper advertising, as well as a campaign website called protectbc.ca. The PEA public awareness and relations strategy helped to raise awareness of our union within the broader public. Topical issues such as collective bargaining and subsequent job action, and a personal information security breach at UVic, were well received with the news media and earned a noticeable amount of coverage.

What made this past round of bargaining stand out from others in recent memory was the need for members to stand up for themselves in order to achieve any gains in their contracts. For the first time in 38 years our GLP chapter took full-scale strike action. This included two days of targeted job action, one day of member-driven public rallies and a one-day province-wide strike. PEA members from UVic supported Canadian Union of Public Employees picket lines throughout the fall, standing shoulder to shoulder to support their co-workers' job action. Health Sciences Professionals chapter members also took targeted job action late last year in order to push for a fair and reasonable collective agreement. This increase in job action and picket lines was the result of public sector bargaining that was dominated by an agenda of 'concessions' and 'no new government funding to support increases'. Through action by our members we were able to achieve modest gains to collective agreement language, and wage increases that are expected to cover inflation.

Ultimately our efforts led to deals with seven bargaining units over the past two years, and we continue to

work towards the completion of tentative agreements for the St. Margaret's School, Prince George School District and Legal Services Society chapters. The remainder of 2013 will be spent developing bargaining strategies and preparing for another significant year of bargaining in 2014.

Looking Forward and Renewal of the PEA

The year ahead is one that the PEA will be watching closely as the ground shifts due to significant events such as the provincial election in May. In addition to preparing for the heavy year of bargaining in 2014, the PEA will also be gearing up for our 40th anniversary. For this milestone we will be focusing on renewal, which will necessitate developing strategic alliances with other unions and like-minded organizations, nurturing our activists' labour relations experience, and developing grassroots activism. Your Association Executive strongly believes that these elements will provide the union with the best possible opportunity to negotiate better collective agreements and working conditions for our members.

I would like to thank all members in advance for your time and efforts spent at this year's convention, in helping move the PEA towards being a better union. You are our grassroots supporters who are necessary in creating a renewed union, ready to take on our next 40 years. We look forward to hearing your thoughts and ideas as to what this path will look like for the PEA.

Respectfully submitted,

Frank Kohlberger
President

Executive Director's Report

I would like to welcome all delegates to PEA's Convention and thank you for your commitment to our union. The changes that have occurred between 2011 and today demonstrate that the PEA is evolving and that our members are increasingly willing to take action based on their collective interests. These changes have taken place at all levels in the PEA and show that the PEA is prepared and able to adapt as we move forward.

Renewal

The PEA has been embarking on a path of union renewal. The PEA Executive has identified priorities that include: developing activists' labour relations expertise, enhancing grassroots activism and building alliances with other organizations (including pursuing members' support for affiliation with the BC Federation of Labour). Renewal and strengthening capacity is something that many Canadian unions are focusing on. Renewal is often undertaken in response to ongoing attacks on public services, laws and an anti-union bias that is sometimes promoted in the media. Your staff team is excited about the potential that renewal brings to the PEA and we look forward to engaging with members in discussing how to move forward to make our union stronger and better able to address members' interests.

The Broader Environment

These are challenging times for the PEA and unions generally. We see in the broader Canadian environment that both the federal and provincial governments continue to reduce funding for public services. The federal government's last budget announced more than 19,000 layoffs in the federal public service and introduced various legislation that eliminated requirements for environmental assessment and review. In BC, significant reductions in funding for post-secondary education have led to layoffs of PEA members at UVic. The BC Government announced in 2012 it would reduce the public service by 2000 FTE's over the next three years. Shrinking the public service further is especially alarming after the PEA's GLP chapter had been reduced by 26% over the decade from 2001 to 2011. BC's Auditor General and the independent Forest Practices Board have sounded the alarm about the devastating effect these cutbacks are having on managing valuable, publicly owned forests. Our GLP members have made clear that the public service downsizing has impacted much more than forests; public safety is at risk with the cuts.

The Ontario Government recently passed legislation that gave the Government the right to impose settlements on public service union members. This offensive legislation was passed prior to the parties there engaging in substantive negotiations, and it is a clear attack on collective bargaining rights. Right-to-work legislation limiting what can be bargained, and making it extremely difficult for American unions to continue to represent members, was passed in Michigan, historically a pro-union state. There are now 24 U.S. states with similar right-to-work legislation. Research clearly shows that workers earn less and have lower benefits in right-to-work states and of course do not have the protections that come along with union membership. The Government in Saskatchewan lost a court battle in 2012 over legislation that gave public sector employers the right to set essential service levels; then it launched a consultation process about modernizing the Saskatchewan labour legislation, arguably to enable right-to-work provisions. The Conservative Party in Ontario is officially on record indicating they will abolish mandatory union dues in the province if elected.

2012 Bargaining

The above summary of anti-labour legislation is intended to provide some context for why PEA renewal is critical. The following overview of 2012 bargaining further exemplifies why the PEA needs to work with its members to chart a new course.

GLP bargaining was a significant area of focus over 15 months for PEA staff, GLP members and an extremely dedicated GLP bargaining team and executive. GLP bargaining featured: continuous planning, two member surveys, a comprehensive Hay Consulting group market survey, 36 bargaining bulletins, legal wrangling at the Labour Relations Board, 19 web-based member meetings, a 92% strike vote, three days of strike action for the first time in the GLP's 38-year history, work-to-rule actions, member-led public rallies, multiple efforts in mediation, extensive media releases and a public awareness campaign. Ultimately, we

were only able to achieve modest gains in the GLP settlement, even after wage freezes in two of the previous three rounds of bargaining.

In reflecting on GLP bargaining, I believe PEA activists, members and staff need to find creative ways to continue to address our interests away from the bargaining table. Labour relations advocacy for members and collective bargaining will remain key areas of focus for the PEA; however, an effective PEA renewal process presents opportunity for the PEA to influence bargaining outcomes by taking action outside of formal negotiations. The PEA and its members have already taken various steps to support renewal, such as: members' reaching out to MLAs to discuss what fewer professional foresters has meant to stewarding public forest lands, public rallies, and members at UVic building relationships with CUPE members by showing support for their picket lines and job action at the university.

Renewal will require change, membership engagement and emphasis on democratic decision-making within the PEA. Convention is an opportunity to start an informed dialogue about what PEA renewal should look like, and this discussion will be continued with members over the course of the year.

Looking Back

With significant new staff joining the PEA in 2011, a process of internal renewal started, with emphasis on member servicing as well as making operations more efficient and collective bargaining more effective. Local Rep training curriculum was revised, and three sessions were held through 2012 and the first quarter of 2013. Local reps now receive notification of new PEA members so they can welcome them to the PEA. We made extensive use of web-based meetings for chapters with geographically dispersed members, as opposed to face-to-face meetings, which had not been well attended in the past. Our membership database was operationalized in 2011 and is now up to date with current member information. We also completed an internal IT plan that featured networking, remote access and shared calendaring.

Bargaining preparation began in earnest in 2011, as the PEA entered 2012 with eight collective agreements expiring. The PEA settled five agreements, in the GLP, UVic, OGC, HSP and LSL chapters, representing approximately 90% of the PEA's membership. Agreements expired and still outstanding are those for the PGSD, LSS, and SMS chapters. Approximately 92% of PEA members bargain under PSEC mandates in the BC public sector. Public sector deals for PEA members were generally in the range of one and a half to two percent per year and will offset inflation; however, these increases do not make up for lost wages in previous years due to zero percent wage increases in 2005, 2006, 2010 and 2011. Ratification votes reflected member support in very high proportions (average of 96% Yes as of Feb. 20, 2013), and our September 2012 membership survey showed the highest ever levels of member satisfaction with the PEA's approach to collective bargaining. Members' survey responses also showed that satisfaction with collective agreements (and in particular with wages and benefits) was at the lowest level ever. These survey results suggest that while collective bargaining must continue to be a priority, the PEA needs to change how and what we do outside the bargaining table, so that ultimately we can negotiate better terms and conditions of employment for our members.

The PEA saw strike votes and job action in the GLP and HSP chapters, reflecting the challenging public sector bargaining mandate. Strikes under the government's mandate also happened across BC including: BCGEU, COPE 379 (ICBC), CAW (BC Transit), CUPE (university sector), BCTF, various unions in the Community Social Services sector, and the Health Sciences bargaining association. Faced with concessions and limited wage increases, the PEA, like other public sector unions, was forced to become assertive in our bargaining stance, utilizing various forms of job action. While there has been one instance of limited job action previously in our HSP chapter, this year was the first time for strike action in the GLP chapter's 38-year history and the first time the PEA has seen such extensive job action. The GLP and HSP members' willingness to support the PEA and take job action resulted in improvements on some key issues and an ability to shift the employers' bargaining positions. However, public sector settlements were regarded only as the best possible deals that could be bargained, falling far short of bargaining committees' objectives and members' expectations.

2013 Bargaining

The PEA still has expired collective agreements to settle in 2013 in the SMS, PGSD and LSS chapters. In addition, the public sector deals recently reached are two years in length, so the latter half of 2013 will be spent preparing to bargain again for the GLP, HSP, UVic and OGC chapters. Bargaining preparations will also start for FMEP, which expires in March of 2014, and ORL, which expires at the end of 2013.

Member Engagement

The PEA embarked on a number of improvements in the way we engage with our members. We updated our website, added PEA-wide and chapter discussion forums and revamped The Professional. We have improved our presence in the media by adopting new policies and actively reaching out with press releases. We also reached out to our members by implementing web-based town hall meetings. Approximately 33% of our members took the time to participate in a member survey about PEA priorities, which was reviewed and considered by the Executive in their strategic planning. Both the results of the survey and the strategic plan were made available to members. Another first in 2012 was an Annual Report for members, which reported on accomplishments under the strategic plan.

I would like to acknowledge my PEA staff colleagues: Toshie Arakawa, Marianna Azouri, Tammy Bouchard, Rhiannon Bray, Al Gallupe, Brett Harper, Teresa Husband, Dwaine Martin, and Melissa Moroz. They have worked extremely hard with all of the change over the last two years and especially with the PEA's first extensive job action. Dwaine will be finishing his term in April and Rhiannon will be returning from her leave.

Last and perhaps most important, I would like to express appreciation for the PEA activists and members who take time out of their busy lives to be active in the PEA. I have no doubt that the makeup of our membership means the PEA has a tremendous wealth of intelligence, commitment and passion to draw on.

Respectfully submitted,

Scott McCannell
Executive Director

Secretary-Treasurer's Report

This report covers the fiscal years 2011 and 2012. First, sources of revenue from dues and investments are examined, and then an overview of operating expenses is presented.

The Professional Employees Association's revenue comes from members' dues and investment income. Dues totaled \$1,587,386 in 2011, a decrease of \$50,074 from 2010, while our budget anticipated dues of \$1,609,032. In 2012, actual dues totaled \$1,584,485 a decrease of \$2,901 from 2011, while our budget anticipated dues of \$1,555,966. The budget for 2011 projected a dues erosion of ~\$55K, and the budget for 2012 projected a further erosion of ~\$53K.

Over the past two years, the association has been eroded by approximately 40 members. The BCGEU raiding of CHSS resulted in a loss of 133 members, whereas UVIC has grown by 132 members. The GLP membership was reduced by 22 members and a reduction of a further 25 members is attributed to the closure of Riverview Hospital.

The PEA's investment policy calls for a minimum of 60 percent of our portfolio to be held in bonds, with no more than 40 percent to be held in equities. At present, the policy restricts the PEA from holding shares in companies whose major activity is the manufacture of guns or weapons of war, tobacco products, or those companies that use exploitive labour practices, engage in human rights abuses, or contribute to carbon emissions. Policy also mandates that our reserves always be sufficient to support members of the PEA's largest bargaining unit through a two month dispute, as well as costs associated with a grievance going through the courts to the Supreme Court of Canada. Investment performance is evaluated quarterly and to ensure that performance matches or surpasses benchmarks measured over four year rolling periods.

On December 31, 2011 the PEA held an investment portfolio consisting of 2,543,556 in equities, \$1,964,062 in cash and cash equivalents, and \$4,092,994 in bonds for a total of \$8,600,612. Our equities are managed by three professional fund managers for which the PEA was charged an average of 0.72 percent of the market value of the portfolio. Our entire portfolio returned 1.91 percent for 2011. When we omit the \$1,964,062 in cash and cash equivalents set aside for a real-estate purchase, our entire portfolio returned 2.38 percent. The portfolio benchmark yielded 2.54 percent. Investment income for 2011 totaled \$43,629 after expenses. This modest income is due to the inclusion of unrealized losses; we did not lose \$249,585, but this is a reflection of how much we would have lost if we had sold all our securities on December 31, 2011. The investment income, added to dues revenue, resulted in total revenue of \$1,631,015 for 2011.

On December 31, 2012 the PEA held an investment portfolio consisting of \$2,740,790 in equities, \$1,451,707 in cash, and cash equivalents, and \$4,202,405 in bonds for a total of \$8,394,902. During the year ~\$500K of our real-estate cash was transitioned back into equities. Our entire portfolio returned 2.73 percent for 2012, less than our benchmark which yielded 4.96 percent. If we do not include the real estate funds in the analysis, then the portfolio returned 3.02 percent. Investment revenue for 2012 totaled \$230,491 after expenses; that investment income, added to dues revenue, resulted in total revenue of \$1,814,976 for 2012.

Investment reserves of \$19,804 were held in 2011 to fund retirement leave costs for PEA staff. For 2012, these reserves increased to \$28,785.

Our operating expenses for 2011 totaled \$1,498,456, a decrease of \$242,830 from 2010. Many of our expense categories showed little change from 2010; however, there were several exceptions. Convention/conference expenses showed a decrease of \$21,171; Executive and constitution showed a decrease of \$8,737; the Membership Services and Administration category showed an increase of \$62,770; Negotiations showed a decrease of \$87,555; and Staff salaries and benefits showed a decrease of \$100,138. Our annual budget is based on variety of estimates and forecasts to anticipate revenues and expenses. Several expense categories saw large variances with respect to the 2011 budget: Membership Services was budgeted for \$217,588 versus expenses of \$165,224, partially attributed to two arbitrations budgeted at \$20,000 each; Executive and Constitution was budgeted at \$166,500 versus expenses of \$131,688 – this is primarily attributed to the introduction of our web based meetings on an alternating basis; and The

Professional was budgeted at \$25,000 versus actual expenses of \$17,321 due to: publishing 4 of 5 planned issues, switching to a color printing format that was less costly, and implementation of online access for those who opted not to receive the publication by mail.

Our operating expenses for 2012 totaled \$1,562,529, an increase of \$64,073 over 2011. Many of our expense categories showed little change from 2011, with some exceptions: Negotiations showed an increase of \$132,394 due to heavy bargaining activities; and Staff Salaries and Benefits showed an increase of \$105,143 – this reflected a one-time staff maternity leave, CEP collective bargaining committee expenses, a modest 2 percent increase to PEA staff salaries, staff professional development, and funds for staffing vacant positions. These increases were offset by several decreases, notably, a decrease of \$ 37,790 in Executive and Constitution – this is due to a continued use of web based meetings on an alternating basis; a decrease of \$46,558 in Membership Services and Administration; and Occupancy Expenses showed a decrease of \$17,033 – for the first few months of 2011, we were paying rent on the old and new office locations and paying moving expenses. And in order to reduce the planned budget deficit and to enable staff to focus on the high level of bargaining activity, the 2012 education conference was postponed – creating a savings of over \$65K. It should be noted that Special Projects/Promotions category is now captured under a new Communications category. Several expense categories saw large variances with respect to the 2012 budget: Membership Services was budgeted at \$222,121 versus expenses of \$122,760 – such a surplus is not uncommon during heavy bargaining years; Negotiations was budgeted at \$122,000 versus expenses of \$183,700 – this reflected the prolonged bargaining efforts and complexities. Although they are not regular operating expenses, our strike activities consumed \$277,324 in 2012. All strike expenses, other than strike pay, totaled \$157,568. Strike Pay totaled \$119,756.

In 2011 the dues we collected exceeded our operating expenses, resulting in an operating surplus, after amortization, of \$68,014. If we include other expenses and revenues, we achieved an excess of revenues over expenses of \$111,643. In 2012 our operating expenses exceeded the dues we collected, resulting in an operating deficit, after amortization, of \$5,271. If we include other expenses and revenues, including strike expenses and pay, we experienced a deficiency of revenues over expenses of \$52,104. As in 2011, when the investment revenues and expenditures are added to the operating deficit, we achieved an excess of revenues over expenses of \$225,220. Reducing that amount in 2012 was the strike pay and expenses of \$277,324 resulting in a deficiency of revenues over expenses of \$52,104. As strike-related expenses are not a regular operating expense, and not an item that the PEA by policy budgets for, special consideration should be given to how this impacts the bottom line.

Since the 2011 Convention have been three different Secretary-Treasurers. Thanks to Jonathan Foweraker for taking on the role and thanks to veteran Secretary-Treasurer Tom Gore for returning to the role in early 2012 once Jonathan had left UVic. Teresa Husband, the Association's financial officer, has been a great help to all three of us Secretary-Treasurers while also providing the executive with seamless reporting. In addition to maintaining the financial operations within the organization, Teresa continues to evolve our processes which will improve efficiencies and simplify our reporting and audits. And under Teresa's leadership, with the efforts of staff, strike pay requests were processed, and payments dispatched in a rapid fashion. Thanks also to our portfolio manager Paul Siluch, of Raymond James, for being very attentive to our needs and providing us with strategic advice as the markets morph and shift into new areas of risk and opportunity, and also to our auditor, Chris Cowland, of Cowland Paterson & Co., for providing us with an independent assessment of our accounting practices. Thanks to the recent members of the PEA Finance & Investment Committee, Tom Gore, Jonathan Foweraker, Sonny Wilson, Bruce Barnewall, and Susan Dempsey, along with ex officio members Frank Kohlberger, Scott McCannell and finally our Convention Ways & Means Committee members, Natasha Carville, Ronda Field, Barbara Jo May, and Scott McCannell.

Respectfully submitted,

John Foxgord
Secretary-Treasurer