



Defence Fund Report

Date: March 31, 2019

To: CAUT Council

From: Ted Binnema, CAUT Defence Fund President

I must begin by honouring our brothers and sisters at FUNSCAD, who went on strike from 1 March to 9 March 2019. FUNSCAD has demonstrated that they are a “small but mighty union”! We owe them our thanks for showing their resolve in the face of their Employer, for when even our smaller member unions give up rights, their losses affect all of us. Bravo, FUNSCAD! We wish you all the best through the process of Mediation-Arbitration. It is a privilege for all of our 62 member unions and thousands of members to be able to support all of our members, large and small. On 8 March 2019, at the invitation of FUNSCAD a small army of CAUT DF Flying and Driving picketers from as far away as St. John’s Newfoundland, and Prince George, British Columbia, and many points in between, joined our brothers and sisters on the line in Halifax. If you find it hard to imagine how a strike can take on a carnival-like atmosphere, you need to take a look at a very short video posted to youtube by James Compton: <https://www.youtube.com/watch?v=y5FJHuxb6Yg>.

Several other member unions experienced close calls over the past few months. We salute the members of these unions for showing the determination necessary to force Employers to bargain reasonably with their representatives at the table. In the end, except for FUNSCAD, the threat of job action convinced the Employer to return to the table and hammer out a deal. So, the large resources available to our member unions through the CAUT DF works mightily, even when they don’t actually have to walk the lines.

We welcome our most recent new member, the (Syndicat Général des Professeurs et Professeures de l’Université de Montréal (SGPUM), who joined the CAUT DF on 5 December 2018. The more than 1300 members at SGPUM add greatly to our strength.

The annual meeting of the DF will take place this year on 5 October 2019, in Toronto. This year, the trustees hope to have received an actuarial report on the health of the Defence Fund. We are delighted by the fact that a fair number of unions, including some very large unions (including the SGPUM, and several large unions in Alberta) have joined the Defence

Fund over the past few years. However, the addition of new members has also intensified discussions over the strength of the fund. Although the balance of the fund is now over \$30 million, the trustees look forward to having a better sense of the resilience of the fund.

Also at this year's meeting, the Investment Committee will present a proposal for the Trustees consideration, which, if approved, would allow the Defence Fund to invest up to a maximum of 10% of new monies in Canadian equities. The proposal will include clear investment policy/guidelines to be followed. At present, rules stipulate (Standing Rules 4.2.1 and 4.2.2.) that funds can only be invested in "government obligations ... that meet Canada Deposit Insurance Corporation requirements," and that they invest "with an equal percentage maturing in one, two, three, four and five, six and seven years."

I regret to say that other commitments prevent me from attending the CAUT Council meeting this spring. This deprives me of the opportunity to touch base with members, but I hope that you will feel free to contact me by email.

In solidarity,

Ted Binnema
President, CAUT Defence Fund
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