

Office and Professional Employees International Union, AFL-CIO, CLC



Michael Goodwin
PRESIDENT

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CANADIAN DIRECTOR

ORIGINAL ON FILE

TO: ALL OPEIU CANADIAN LOCAL UNIONS
FROM: MICHAEL GOODWIN AND NANCY WOHLFORTH JUL 12 2004
DATE: JULY 6, 2004
RE: PER CAPITA TAX PAYMENTS TO THE INTERNATIONAL UNION

REC'D OPEIU 373

On Monday, June 21, 2004, the OPEIU Convention adopted the following amendments to the OPEIU Constitution with respect to Article XIV – Canada:

- No increase in per capita tax payments for Canadian Local Unions.
- OPEIU Canadian members may request a vote on the question of Canadian autonomy, once every three years beginning in 2006, (or sooner if OPEIU's efforts to achieve a secret-ballot election among Canadian members is successful).
- A new executive position, Canadian Financial Director, was established.
- The return of all per capita tax received from Canadian Local Unions to the Canadian Financial Director less administrative (overhead) costs of approximately \$1.50 per member per month, and any other direct expenses such as payments to the Canadian Labour Congress.
- A separate Canadian Strike Benefit and Defense Fund under the control of the Canadian National Committee was established to be funded by the current contribution of \$1.40 per member per month.

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- Full voice and vote for Canadian officers and delegates at OPEIU Executive Board meetings and Conventions except on issues such as the election of International President and International Secretary-Treasurer, and finances related to the United States.

Members of OPEIU Canadian Local Unions may have received information contrary to that listed above both before and during the OPEIU Convention. Such members may have also signed a "Canadian Autonomy Authorization" based on incorrect information. The facts have now been established by the Convention and are no longer disputable. You be the judge!

The International Union has filed a lawsuit objecting to the declaration of autonomy presented to the OPEIU on June 20, 2004 by the Canadian National Committee claiming that Canadian Autonomy had been achieved in accordance with Article XIV, Section 1 of the OPEIU Constitution. We did not receive any evidence of the claim, other than two letters, one in English and one in French.

It is estimated that the processing of the lawsuit will take several months at a minimum. If OPEIU is successful, the International Union will be entitled to per capita tax payments at least to the date of the secret-ballot election, and perhaps beyond. If OPEIU is not successful, then a successor Union may be entitled to receive per capita tax payments retroactively.

The International Union recognizes that this situation may put OPEIU Canadian Local Unions in the awkward position of sending per capita tax payments to one entity, only to possibly find out later that the other entity was entitled to such payments. What then?

In the interest of making some sense out of a difficult situation, the International Union is proposing that all OPEIU Canadian Local Unions send per capita tax payments to the International Union only up to and including the month of June 2004, and withhold sending any per capita tax payments for the month of July 2004 and thereafter, to either OPEIU or a possible successor Union until this matter is resolved. We propose that such per capita tax payments be held by the OPEIU Canadian Local Union in an escrow account while this matter is pending before the Courts. We would appreciate being informed of your decision.

Thank you for your patience and understanding of this difficult situation.

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