

Recommendations and Action Plan from the IPS Auto Parts Task Force

Produced by:

The Unifor IPS Council Auto Parts Task Force and Unifor Research Department







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Letter from Task Force members

Dear sisters and brothers,

We are pleased to present our IPS Auto Parts Task Force report and recommendations to you, aimed at building a stronger union and a better future for our members in the auto parts industry. The Task Force was established more than a year ago to take a good look at where we stand, the challenges we face in common and how to move forward after a long period of very difficult times in the industry.

We set a big job for ourselves. The auto parts industry is a complex sector of the economy, and it's a complex part of our union. We have members in 120 different bargaining units with 79 different employers. Our members make an enormous range of products: they work in small-, medium- and large-sized workplaces, and they operate at every tier of the production process. Finding a way to better coordinate our efforts is a big job, but it's absolutely essential to advance our goals.

From the outset, we knew that we could not make progress without the full participation and support of the membership. Our union, and our solidarity with each other, is all we've got. And we'll need each other to make progress ahead.

We started our work by identifying and discussing the challenges and key issues among Task Force members, and followed up by preparing and distributing a discussion paper that posed questions about bargaining and how we organize ourselves in the sector. We then held five regional consultation meetings with more than 250 local union leadership, activists and rank-and-file members to discuss the issues, engage in workshops and provide direction for our work.

We believe that this report reflects what we've heard and learned, and it lays out realistic, achievable and concrete measures to win a better standard of living, more job security and improved working conditions for our members. We urge you to read this report and give your full support to the recommendations and action plan. Let's build our strength together.

In solidarity,

Local Union Leadership

Bob Ashton, Local 1941, Tilbury
Scott Bateman, Local 222, Oshawa
Erica Bondy, Local 195, Windsor
Paula Carson,* Local 1941, Tilbury
Robin Dudley,* Local 1917, Guelph
Steve East, Local 2009, Brampton
Gerry Farnham* Local 195, Windsor
Ruth Gregory, Local 1524, Kitchener
Jerry Leblanc, Local 1090, Ajax
Brian Little, Local 1524, Kitchener

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* IPS Executive Members

Staff

Fergo Berto, Director, Auto Parts Sector, London
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1. What is the Task Force all about?

Comprised of a representative group of local union leadership and staff, the Task Force was mandated by the IPS Council to develop practices, strategies and structures to build our strength in the auto parts sector.

The work of the Task Force focused on finding ways to better establish common standards through coordinated and pattern bargaining, improved information sharing, growing Unifor's presence in the sector, building solidarity and achieving better outcomes for our members.

In a broader sense, the Task
Force also served as an
important example of workers
coming together to find their
own solutions, building
independent strength, creating
new approaches to making
progress and demonstrating
what can be achieved through
collective action.

Unifor in the Auto Parts Sector: Key Numbers

17,000 auto parts members

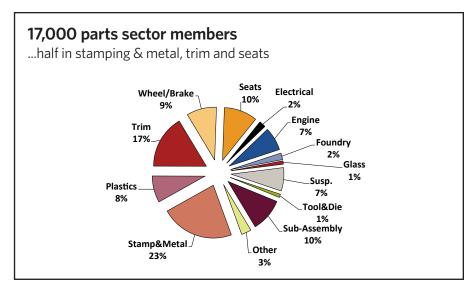
120 collective agreements

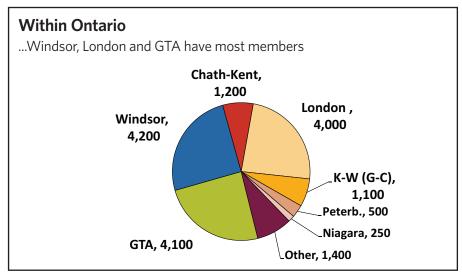
79 different employers

145 average number of members per bargaining unit

31 percent of women in auto parts membership

1936 year when first Canadian auto parts plant was organized







2. What did the Task Force do?

The twenty-member Task Force discussed the issues, gathered and shared information and consulted widely in order to develop its recommendations and action plan.

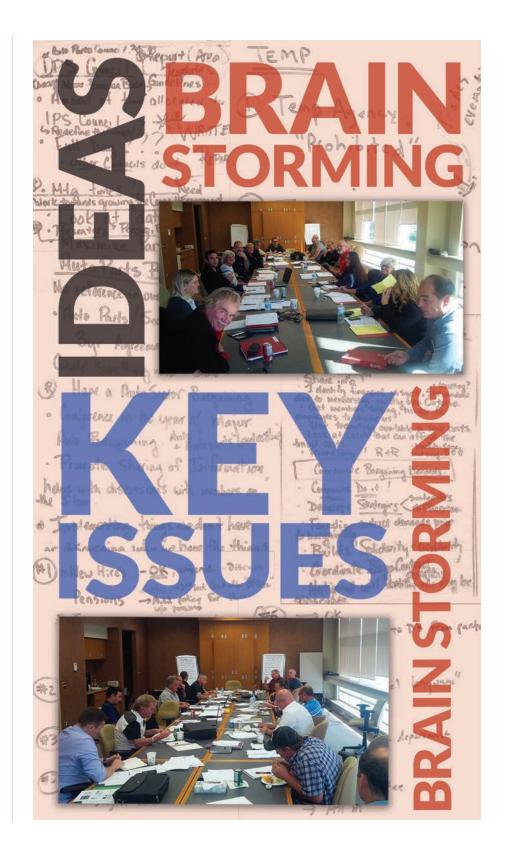
2.1 Discussed the issues

The Task Force held a series of meetings to identify and discuss key issues, consider common challenges, think about information needs and lay out a process for its work. Four Task Force meetings were held prior to the regional consultations of May 2015, and two meetings were held postregional consultations to review the feedback and develop recommendations and an action plan.

Task Force Meeting Dates

- August 26, 2014
- September 23, 2014
- October 23, 2014
- March 3, 2015
- September 9, 2015
- September 21, 2015

All meetings were held in the Unifor London Regional Office





2.2 Gathered and shared information

The Task Force received reports from Unifor's Pensions and Benefits Department on the status of different forms of pensions and benefits, trends and developments in the sector and emerging issues.

Reports from the Research
Department provided
information on our membership
and bargaining units in the sector,
wage rates and trends, employer
interconnections and key
collective agreement provisions.

The Task Force determined that in order to advance its work, the information had to be shared widely. Accordingly, members developed the discussion paper Building strength together: strategy and bargaining in the auto parts sector, which provided context on the situation, reviewed our membership and agreements and highlighted key bargaining and structural issues. The paper was brought to the IPS Council in December 2014 and served as the basis for wider regional consultations.

Excerpted from the Task Force discussion paper:

At the table: key bargaining issues for discussion

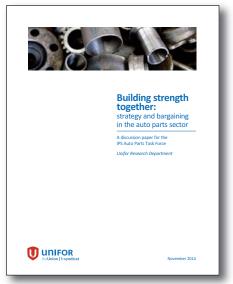
- New hire provisions
- Wage progression and grow-in
- Wage rates and all-in costs
- Pensions
- Contract length

- Agency and temporary work
- Rates for new work
- Levels of union representation
- Early bargaining and extensions

Excerpted from the Task Force discussion paper:

In our union: key structural issues for discussion

- Coordinated, pattern and industry-wide bargaining
- Lining up expiry dates
- Company councils
- Multi-plant master agreements with same employer
- Regular auto parts bargaining conference
- Strengthening the Independent Parts and Suppliers Council
- Information sharing and transparency on bargaining
- Sector-wide preferential hire strategies
- Stronger connections with the Detroit Three on sourcing
- Preparations for bargaining
- Organizing



Available here:

http://www.unifor.org/en/buildingstrength-together-strategy-and-bar gaining-auto-parts-sector



2.3 Consulted widely

In order for its work to really succeed, the Task Force understood that it needed to consult widely. A series of five half-day regional consultation meetings were held in May 2015, and the response from local unions was very positive.

More than 250 of our leadership and membership participated in the consultations, during which time participants heard opening remarks from Ontario Regional Director Katha Fortier, received an IPS executive report about the Task Force and its work, and received a presentation on the discussion paper. The bulk of the consultations, however, focused on gathering the views of those attending the meetings through workshops and group discussions around key bargaining and structural issues.

Regional Consultation Meetings

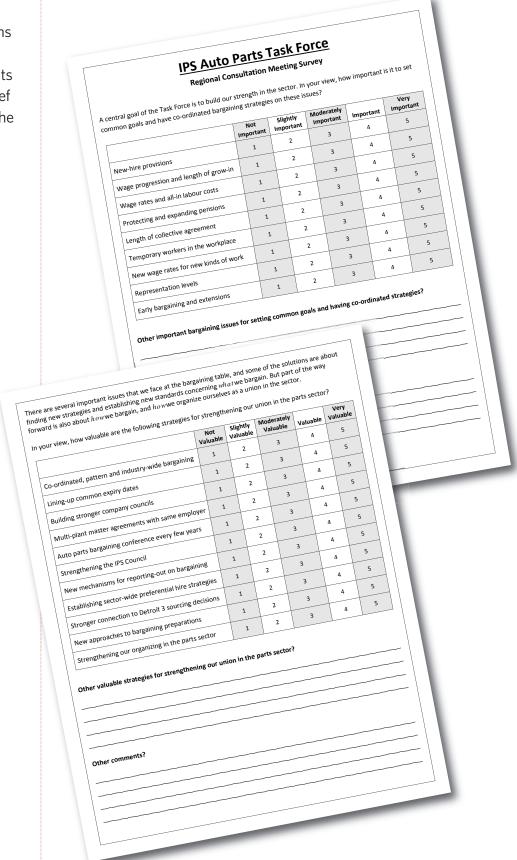
- London, May 4, 2015
- Kitchener, May 5, 2015
- Windsor, May 20, 2015
- Oshawa, May 25, 2015
- Brampton, May 26, 2015





2.3 continued...

To supplement the discussions and gain more insight into member priorities, participants were asked to complete a brief survey rating their views on the issues discussed in the workshop and provide any additional comments or observations.





3. What did the Task Force hear?

The results of the survey confirmed that the Task Force members had identified important bargaining issues and raised valuable ideas around how we organize ourselves in the sector.

In each of the regional consultation meetings, the Task Force heard about the many challenges we face in common, but also about a strong appetite to move our union and members in the auto parts sector forward.

A number of key bargaining issues stood out for immediate action, including the need to address issues around new hires, pensions, agency and temporary work, contract duration, wage rates for new work and extending preferential hiring. There was also strong support for more information sharing, greater networking among locals and units, holding a regular auto parts bargaining conference, strengthening the IPS, forging stronger links with our members in the Detroit Three auto makers, improving our preparations for bargaining and organizing new members. The Task Force's recommendations address all of these issues.

The results of the survey confirmed that the Task Force members had identified important bargaining issues and raised valuable ideas around how we organize ourselves in the sector. On a scale of 1 to 5, most of the issues received an average ranking between 4 and 5 (see results below).

The top three most important bargaining issues identified as needing stronger common standards were:

- Protecting pensions,
- Wage progression and length of grow-in, and
- Wage rates and all-in labour costs.

The top three most valuable strategies for strengthening our union in the sector were:

- Organizing in the parts sector,
- A regular auto parts bargaining conference, and
- Strengthening the IPS.

Although these were the top-ranked issues, it is essential to note that the spread between highest and lowest ranked issues was not wide; in other words, most respondents felt that all bargaining issues, and all structural ideas, were important and valuable. There was no particularly significant regional variation in the results.



Survey Results from Regional Consultation Meetings

At the Table: Bargaining Strategies (Scale 1 to 5: "Not Important" to "Very Important")					
	Average Score				
New-hire provisions	4.1				
Wage progression and length of grow-in	4.3				
Wage rates and all-in labour costs	4.3				
Protecting and expanding pensions	4.7				
Length of collective agreement	3.7				
Temporary workers in the workplace	4.1				
New wage rates for new kinds of work	3.8				
Representation levels	4.1				
Early bargaining and extensions	3.6				

In our Union: Structural Issues (Scale 1 to 5: "Not Valuable" to "Very valuable")					
	Average Score				
Co-ordinated pattern and industry wide bargaining	4.2				
Lining-up common expiry dates	4.0				
Building stronger company councils	4.2				
Multi-plant master agreements with same employer	4.3				
Auto parts bargaining conference every few years	4.4				
Strengthening the IPS Council	4.4				
New mechanisms for reporting-out on bargaining	4.3				
Establishing sector-wide preferential hire strategies	4.1				
Stronger connection to Detroit 3 sourcing decisions	4.3				
New approaches to bargaining preparations	4.2				
Strengthening our organizing in the parts sector	4.6				



Voices from the regional consultation meetings:

On solidarity:

- "Solidarity. We must be together. The companies have succeeded in forcing us to bargain against each other."
- "We need to understand the competition between sister plants within organizations."
- "Working together with other locals and other parts plants will help create the unity needed to move forward in this fight with the companies."
- "Strength in numbers."

On setting common standards:

- "We need to align parts makers who make the same product."
- "We should pursue strategic bargaining for employers with multiple locations making same product."
- "Pattern bargaining is the most valuable strategy."
- "Elimination of 'whip-sawing,' which is a reality of internal competition."
- "We need networking among plant chairs to set standards."

On new hires and temporary work:

- "Especially need to focus on temps and new hires, and emphasize union protection for those without union experience. This will grow Unifor's reputation and value."
- "Need a policy to reduce new hire progression."
- "Eliminate tiers."
- "Temporary part-time workers should only replace workers on vacation and sickness."
- "Temps are being used more and more. Need to make employers agree to have no contract workers, have it in the CBA, and ensure that temp workers only be used for no more than one month and after that they must be hired full-time."
- "Make it harder for companies to have both temps and wage progression in our CBAs."



comments from the surveys

On information and communications

- "Meetings should be held every few months to discuss issues for plants, as other plants may have already had the same experiences and found a solution. More opinions always help."
- "More communications between all locals so we're all on the same page."
- "The membership needs to understand common goals and we need to educate them."
- "We need information so we can use it at bargaining and say 'no' to concessions. If we can have a list of companies that didn't take concessions we could use it as ammunition for bargaining."
- "More communications between parts sector workers and leadership."
- "It's an ageing workforce and when looking towards the future it can seem pretty bleak. Young workers will one day be in positions within the union and they are some of the least informed, which is why the approach we take to get to them is so important."
- "The IPS needs to be more visible and sure all workers are aware of the IPS and what is going on in our industry."

On organizing and unorganized workers

- "We need advertising on the radio, and on signs, to talk about how private industry wages, benefits and standards are declining, and how unions are still relevant to stop the race to the bottom."
- "Need to make information accessible to all members, inclusive of everybody both union and non-union."
- "We need to look in our own backyard and look at how we can organize the non-union plants but also make sure we lock in our work in the OEMs for future business."
- "We should educate the nonunion competition about the protection of the union."

On the meeting

- "Very good experience to attend this meeting."
- "Very good meetings, ideas and discussions. Hope these continue in the future."
- "Great job, very informative."
- "Important to share ideas.
 This should happen more often."
- "Great work today."
- "Found today very informative as a new member looking to get involved."



4. Recommendations

Following the regional consultation meetings, the Task Force gathered to review what had been heard and develop recommendations and an action plan to bring to the IPS Council. In the course of its work, the Task Force considered nearly twenty different bargaining and structural issues. In general, the Task Force prioritized some bargaining issues for immediate action while recommending that others be considered in further detail as part of an inaugural auto parts bargaining conference. Additionally, there were several recommendations around how to build strength by making changes to the way we organize ourselves within the union.

The Task Force's recommendations are grouped into seven themes:

- 1. Bargaining standards
- 2. Auto parts bargaining conference
- 3. Strengthening the IPS Council
- Information sharing, transparency and communication
- 5. Strengthening links to the Detroit Three
- 6. Bargaining preparation
- 7. Organizing

1. Bargaining standards

The IPS Task Force recommends that:

- Unifor auto parts leadership prioritize the development of strong common bargaining standards on key issues through coordinated and pattern bargaining.
- New practices and mechanisms be implemented to establish and maintain strong common bargaining standards, including holding a regular auto parts bargaining conference, strengthening the IPS Council, implementing better information-sharing, forging stronger links to Unifor membership in the Detroit Three, undertaking better preparations for negotiations and strengthening the union's presence in the sector through organizing.
- An initial auto parts bargaining conference develop and adopt a comprehensive bargaining agenda on priority issues to be implemented through negotiations across the sector.
- Prior to an initial auto parts bargaining conference, Unifor auto parts leadership take immediate steps to address these urgent bargaining issues:

New hires:

 Adopt the principle of "one class of Unifor member" by rejecting permanent two-tier wage, health and insurance benefit systems that have lower conditions based on date of hire. Where employers have implemented



- elements of a permanent two-tier system, negotiate to remove them.
- Limit any extension of wage and benefit progression to start at 70% of the full rates.
 All members are to reach full rates after a reasonable period of time. Where employers have implemented lower starting rates, negotiate to conform with this standard.
- Wage and benefit progressions currently starting at higher than 70% are to be defended and maintained.

Pensions:

- Prioritize enhanced retirement security and benefit security in all collective agreements.
- All existing defined-benefit pension plans are to be defended, with no eliminations or conversions, to defined-contribution plans for existing or new members. Any exceptions require prior authorization from the President's office.
- Prioritize the establishment of strong pension benefits in workplaces that do not have an existing plan.

Agency and temporary work:

- Ensure that collective agreements prohibit temporary agencies from conducting bargaining unit work.
- Ensure that any workers on temporary assignment are members of the union and governed by the collective agreement.
- Ensure that collective agreements set appropriate limits on the use of temporary

- assignments, including the reason for their use, prohibitions on use when there are members on layoff and the duration of the assignment.
- Ensure that consultations are held with the National Skilled Trades Department prior to use of any skilled trades contractors.
- Establish a clear pathway for workers on temporary assignment to become permanent according to seniority and following a set period of time while ensuring that employers do not remove workers to avoid deadlines.
- Update model language concerning agency and temporary work, with all updates to be developed by the national union and presented at the spring 2016 IPS Council meeting.

Contract duration:

 Recommit to Unifor's existing policy limiting agreements to a maximum duration of three years. Any exceptions to address special circumstances, or align expiration dates, require prior authorization from the President's office.

New work:

- Ensure that wage rates for any new work are subject to negotiations, or are addressed by existing language in the agreement to determine new rates.
- Ensure that agreement language appropriately defines new work to ensure that minor adjustments to existing



4. Recommendations (continued...)

- programs cannot become subject to new work wage negotiations.
- Wage rates for new work must be benchmarked against going rates in comparator Unifor agreements.
- Ensure that there are mechanisms for workers to bid off new work, or progress to other jobs, based on seniority.

Preferential hires:

 Extend the practice of negotiating preferential hiring opportunities for laid off Unifor members.

2. Auto parts bargaining conference

- An auto parts bargaining conference be held at a minimum of every three years to:
 - Share information on industry trends and developments;
 - Conduct a comprehensive review of collective agreements;
 - Review progress on key bargaining standards; and
 - Adopt a sector-wide bargaining agenda on priority issues to be tabled in all negotiations.
- The first auto parts bargaining conference be held in spring 2017.
- The full participation of leadership from the Detroit Three at the conference is encouraged, including the potential for joint sessions on industry trends and developments held in conjunction with a meeting of the Unifor Auto Industry Council.
- An auto parts bargaining conference planning committee will be established in February 2016, with appropriate regional local union and staff representation.



3. Strengthening the IPS Council

The IPS Task Force recommends that:

- IPS Council hold meetings twice a year.
- One annual IPS Council meeting be held in conjunction with the meeting of the Ontario Regional Council.
- The other annual IPS Council meeting be held on a rotating basis in the following communities:
 - Windsor
 - London
 - Oshawa
 - Niagara
 - Kitchener-Waterloo
 - Oakville-Brampton
- IPS Council amend its bylaws to provide local unions the opportunity to maximize participation of all unit chairs as delegates, or special delegates, subject to financial ability.
- Standard agenda items for IPS Council meetings include, but not be limited to: unit reports, information sharing on trends and developments, campaign updates and organizing.
- IPS Council produce a biannual newsletter on activities of the Council, industry trends and bargaining developments. Production of the newsletter will be supported by the National Office Communications and Research departments.

4. Information sharing, transparency and communication

- An email distribution system be created and maintained by the National Office to gather collective agreement highlights from Service Department staff and circulate them to local union presidents and unit chairpersons on a quarterly basis.
- A comprehensive review and comparison of key collective agreement provisions be conducted by the Research and Pensions and Benefits departments for the auto parts bargaining conference to support the development of a sector-wide bargaining agenda.
- The Research and Pensions and Benefits departments will continue to provide ad hoc research on specific bargaining issues and present findings to IPS Council meetings, and will offer contributions to an IPS Council newsletter on bargaining developments.
- Staff with auto parts assignments will continue to ensure that information is updated, and collective agreements are filed, in Unifor's State of the Union information system. A report on the status of records will be provided to the IPS Executive in advance of each IPS Council meeting.
- Electronic copies of full-text collective agreements in the auto parts sector will be distributed by the Research Department at the December 2015 meeting of the IPS Council, and updates will be provided at all future auto parts bargaining conferences.



4. Recommendations (continued...)

5. Strengthening links to the Detroit Three

The IPS Task Force recommends that:

- Model language be developed to provide auto parts local union leadership with access to existing commercial contracts governing their work and six months' advance notification of any contract expiry. Model language will be developed by the National Office and delivered to the spring 2016 meeting of the IPS Council.
- In conjunction with Unifor leadership at the
 Detroit Three, the IPS Executive will work to
 develop stronger mechanisms for Detroit Three
 automakers to provide notice of any changes,
 expiry, in-sourcing decisions or tendering of
 existing commercial contracts that affect Unifor
 members. The IPS Executive will work to
 encourage these stronger mechanisms to form
 part of the agenda for master Detroit Three
 negotiations in 2016.
- The National Office will develop a protocol among local union leadership, unit chairpersons and staff to rapidly notify the Auto Parts Director, the Assistant to the President and the relevant Detroit Three Master Committee chairperson of any concerns about the security of existing and next-generation work.
- The IPS Executive will seek a standing invitation to attend Detroit Three Auto Industry Council meetings and extend a reciprocal invitation to attend IPS Council meetings.

6. Bargaining preparation

- A bargaining toolkit be prepared to provide both new and experienced Bargaining
 Committee members with resources to assist in the preparations for bargaining. This toolkit will include, but is not limited to, information on best practices concerning consultation with the membership, identification of priority items, model language, bargaining policies, assessing information needs and member communications, among other items.
- A Toolkit Working Group will be established by the National Office early in 2016 comprising Service Department representatives supported by the Education Department. The Toolkit Working Group will also consider other educational needs, resources and supports for bargaining committees and provide recommendations to the IPS Executive.



7. Organizing

- Updated model language concerning employer neutrality in organizing drives be developed by the Organizing Department and presented to the spring 2016 IPS Council meeting.
- Working with the Detroit Three leadership, the IPS Executive will review and work to strengthen existing language on employer neutrality in the course of 2016 master Detroit Three negotiations.
- The IPS Executive extend a standing invitation to Organizing Department representatives to attend IPS Council meetings to provide updates on activities and outline means for members to support organizing campaigns.
- The IPS Executive appoint an Organizing Liaison to assist with the identification of priority organizing targets and the development of campaigns.
- Auto parts leadership prioritize the implementation of Unifor's "All-in" organizing campaign, and work to coordinate related workshops and activities at the earliest possible opportunity.



5. Action Plan

Theme	Action Item	Responsibility	Completion
1. Bargaining standards	Distribute Task Force report and recommendations to all units and staff highlighting endorsed bargaining standards.	IPS Council, National Office	December 2015
	Develop model language on agency and temporary work.	National Office	Spring 2016
2. Auto parts bargaining conference	Establish conference planning committee.	IPS Executive, National Office	Early 2016
	Hold inaugural auto parts bargaining conference.	IPS Executive, National Office	Spring 2017
3. Strengthen IPS Council	Amend IPS Council bylaws to maximize participation of unit chairpersons.	IPS Council	December 2015
	Prepare first biannual sector newsletter.	National Office, Communications and Research departments	Spring 2016
4. Information sharing, transparency and communication	Establish email distribution system for bargaining highlights.	National Office	Spring 2016
communication	Report to IPS Council on status of records and agreements in national information system.	Research Department	Spring 2016
	Provide electronic copies of auto parts agreements to delegates to IPS Council.	Research Department	December 2015
	Comprehensive review of key bargaining provisions for auto parts bargaining conference.	Research, Pension and Benefits departments	Spring 2017
5. Strengthening links to the Detroit Three	Develop model language on access to information on commercial contracts and notification of changes.	National Office	Spring 2016
	Develop rapid communications protocol among auto parts and Detroit Three leadership and staff on security of work.	National Office	Spring 2016
6. Bargaining preparation	Establish Toolkit Working Group among Service and Education departments	National Office	Early 2016
7. Organizing	Develop updated model language on employer neutrality in organizing efforts.	Organizing Department	Spring 2016
	Appoint IPS Organizing Liaison	IPS Executive	Early 2016
	Implement organizing "All-in" campaign initiatives.	IPS Executive, Organizing Department, local unions	Early 2016

